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CITY & COUNTY OF SAN FRANCISCO



GAVIN NEWSOM, MAYOR

TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
BLDG ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0880 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

TREASURE ISLAND DEVELOPMENT AUTHORITY
MEETING AGENDA

January 11, 2006 1:30 P.M.

DOCUMENTS DEPT.

Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

JAN - 6 2006

SAN FRANCISCO
PUBLIC LIBRARY

Gavin Newsom, Mayor

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Peter Summerville, Commission Secretary

ORDER OF BUSINESS

1. Call to Order and Roll Call
2. Report by the Deputy Executive Director of the Redevelopment Agency (*Discussion Item*)
3. Report by Mayor's Office of Base Reuse and Development (*Discussion Item*)
4. Communications (*Discussion Item*)
5. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
6. Ongoing Business by Directors (*Discussion Item*)
7. General Public Comment (*Discussion Item*) ***In addition to General Public Comment (Item #7), Public Comment will be held during each item on the agenda.***

CONSENT AGENDA

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a.) Approval of Minutes of December 14, 2005 Regular Meeting
(Action Item)
- b.) Resolution Adopting a Policy That Future Fleet Vehicle Purchases by the Treasure Island Development Authority Shall Be Rated as Ultra-Low or Zero Emission Vehicles (Action Item)
- c.) Resolution Authorizing The Executive Director To Amend the Month-To-Month Sublease With The San Francisco City Store For A Portion Of Building 34 to Retroactively Extend the Term up to December 31, 2006 And Increase The Rent By 3% To \$264.70 Per Month Beginning January 1, 2006 (Action Item)
- d.) Resolution Authorizing the Executive Director to Amend the Sublease With Mr. Rex Liu for the Use and Operation of the Photo Booth, Retroactive to January 1, 2006, to Extend the Term on a Month- to- Month Basis Up To December 31, 2006 and Increase the Rent By 3% To \$515.00 Per Month Beginning January 1, 2006 (Action Item)
- e.) Authorizing The Executive Director To Amend The Sublease With Island Creative Management Inc. For Building 2 to Retroactively Extend The Term up to December 31, 2006 And to Increase The Rent By 3% To \$19,058.34 Per Month Per Month (Action Item)
- f.) Authorizing the Executive Director To Extend the Use Permit With The San Francisco Museum and Historical Society For Use Of a Portion Of Building 449 For An Additional One Year Term Up To January 14, 2007
(Action Item)
- g.) Authorizing the Executive Director to Retroactively Amend the Sublease for Building 1, Room 21 with the San Francisco Department of Aging and Adult Services to Extend the Term Through December 31, 2006, Terminable by Either Party on 30-days Written Notice, and Rent at \$500.00 per Month Payable on an Annual Basis (Action Item)
- h.) Resolution Authorizing the Executive Director to Execute the Fifth Amendment to the Sublease with the San Francisco Little League to Retroactively Extend the Term for Use of the Little League Field to December 31, 2006 (Action Item)

9. Presentation of Draft Transportation Plan (*Discussion Item*)

10. POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators. (*Action item*)

c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Persons negotiating for the Authority: Michael Cohen, Jack Sylvan, Joanne Sakai

Persons negotiating with the Authority: United States Navy, Treasure Island Community Development, LLC

Property: Former Naval Station Treasure Island

Under Negotiation:

Price: _____ Terms of payment: _____ Both: X

d. Reconvene in open session (*Action item*)

i. Possible report on action taken in closed session under Agenda Item 10 (Government Code section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)

ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

11. POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with legal counsel. (*Action item*)

c. CONFERENCE WITH LEGAL COUNSEL

ANTICIPATED LITIGATION:

 X As defendant _____ As plaintiff

In a letter dated June 27, 2005, the Navy presented TIDA with a claim and demand to pay \$1,375,824.00 in past due Common Area Maintenance Charges and threatening to process such claim in accordance with the United States Contracts Dispute Act of 1978 (41 U.S.C. §§601-613) if the matter was not resolved within 30 days from the date of the letter. The purpose of the Closed Session would be to confer with legal counsel regarding issues connected with the Navy's claim.

- ii. Reconvene in open session (*Action item*)
 - i. Possible report on action taken in closed session under Agenda Item 11. (Government Code section 54957.1 (a) (2) or (3) and San Francisco Administrative Code Section 67.12)
 - ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

12. POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators. (*Action item*)
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
 - Persons negotiating for the Authority:* Joanne Sakai, Marc McDonald
 - Persons negotiating with the Authority:* San Francisco Film Commission
 - Property:* Building 180 located on Former Naval Station Treasure Island
 - Under Negotiation:*
Price: _____ Terms of payment: _____ Both: X

- d. Reconvene in open session (*Action item*)
 - i. Possible report on action taken in closed session under Agenda Item 12 (Government Code section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)
 - ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

13. Discussion of Future Agenda Items by Directors (*Discussion Item*)

14. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.





"Raphael Mazor"
<rdm24@care2.com>

12/15/2005 05:04 PM

To TIDA@sfgov.org

cc

bcc

Subject Treasure Island development

I was happy to see that the plans for Treasure Island described in today's San Francisco Chronicle place a strong emphasis on sustainable development. I think that the plan balances high density housing with open-space needs to create a real sense of community. The emphasis on public transit instead of cars is essential to fostering real neighborhoods rather than isolated suburbs.

Please do not reduce the planned housing density or the amount of parklands planned for Treasure Island.

Sincerely,

Raphael Mazor
265 Fell St #502
San Francisco, CA 94102







Randall Schuh
<rlschuh@gmail.com>

To TIDA@sfgov.org

12/16/2005 12:59 PM

cc

Please respond to
rlschuh@stanfordalumni.org

bcc

Subject Daring to hope

History:

☞ This message has been forwarded.

To whom it may concern:

I don't want to take too much of your time, so I'll limit my comments.

I dream of future, American developments where population density makes foot traffic and public transportation not only feasible, but preferable to the automobiles.

I read about the latest Treasure Island development plan in the Chronicle and I've looked over the materials on your site. I'm daring to hope that you will set an example that shows California and the country a different model of urban development. A dramatic success could turn the market forces that dominate our country to improving our urban areas.

Good luck with the development! I'm sure the implementation will change many times before anything is done, but I will eagerly watch to see what happens.

Sincerely,
Randall Schuh





Scott Donahue 1420 45th St., Studio 49, Emeryville, CA 94608
scott@sdonahue.com 510-658-5182 www.sdonahue.com

Board of Directors
Treasure Island Development Authority
410 Avenue of the Palms, Building 1, 2nd Floor
San Francisco, CA 94130
January 2, 2006



Dear Board members,

Before you is a proposal about building a West Coast monument to immigration on Treasure Island. The design concept is for a "Statue of Unity", a stainless steel sculpture that will be clearly visible from the San Francisco Embarcadero and all cities surrounding the North Bay. The intent of this monument is to honor and inspire all who see it. The Statue of Unity will be a Pacific Coast book end to the Statue of Liberty. The Statue of Unity will be traditional enough to be related to the Statue of Liberty, but unique and relevant to its place and time here in the Bay Area.

This project will be privately funded. Like the Statue of Liberty, the Statue of Unity will be financed with money from investors both overseas and here in the United States. Specifically, we expect a large portion of the funding will come from sources in the Asian Pacific Rim. The completed monument will be a symbol for the West Coast's significance in our nation's history, and San Francisco's importance now to our country's economic and cultural life. The statue will be a major asset to Treasure Island by providing a steady stream of visitors who will visit this international destination. The copyright value of the image and name of the Statue of Unity will bring a significant long-term income stream to the city.

This proposal will compliment the current design proposals recently developed for Treasure Island. The monument (as discussed in the proposal, enclosed) will be located at the end of the residential development on the North West side of Treasure Island.

As we continue to develop this proposal we hope for your responses, individually and collectively. Updates to this proposal can be seen at www.statueofunity.net.

The Statue of Unity team consists of:

Scott Donahue – sculptor and public artist

Ethan A. Silva – fabricator of "Cloud Gate" Millennium Park, Chicago

Sincerely,

Scott Donahue

Objective

San Francisco Bay deserves an original world class monument that evokes our multicultural heritage and serves as a complement to the Statue of Liberty. The proposed Statue of Unity will:

- Enhance the island's amenities and attractions for visitors.
- Provide an attractive and compelling centerpiece for the island.
- Symbolize and honor our diverse population, as well as welcome the multinational mix of contemporary visitors.
- Provide a statue of colossal proportions that reflects the international and ethnic backgrounds of our current and future citizens.

Characteristics

The proposal is for a stainless steel, multi-ethnic, multi-historic female statue symbolically reaching out to people entering the United States through the Golden Gate welcoming them into the country and the Bay Area. The statue will complement and balance the Statue of Liberty in New York harbor.

This monument will incorporate our native redwood tree as a major element of its design. The Statue of Unity will rise up from a 50 foot-tall redwood grove. Pathways through the trees will lead to elevators and stairs that provide access to the interior of the statue and viewing stations at various levels.

The Statue of Unity will soar 305 feet above Treasure Island just one inch shorter than the Statue of Liberty. Looking across from the San Francisco Embarcadero, this gleaming stainless steel statue will be proportional in height to Yerba Buena Island. At night, the statue's interior and exterior illumination will harken back to the years when Treasure Island was home to the Golden Gate International Exposition.

Visitors to the Statue of Unity will enjoy a fresh perspective of the bridge, the city, and the Bay. They will also have a memorable architectural experience. After entering the redwood grove, visitors will ascend through the trees to the first level at the statue's feet. The experience of walking up gently climbing pathways to the treetops will be like climbing through the forest to arrive at the mountain.



"Sigame/Follow Me" shown here as if it were on Treasure Island, has a similar feeling and pose as the proposed Statue of Unity. The 12-foot-tall statue was commissioned by the City of Oakland in 2001 and is located in Union Point Park.



Seen from the San Francisco Embarcadero at night the Statue of Unity will have stained glass windows illuminated by energy efficient LED lights

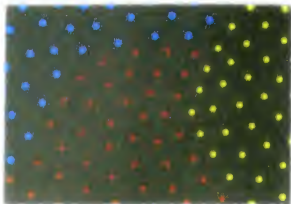
Unique Design

The statue will be divided into parts, each depicting the people — past and present — of the Bay Area's history. Viewed as a whole, they are one united figure.

The sculptor, Scott Donahue, would model the different national and ethnic characteristics of our citizens and immigrants by applying his unique approach: creating a composite human figure who reflects our diverse population. Donahue delineates the body into a number of sections that vary in human form, costume, and color. This convergence of parts is an accurate depiction of life in this region. We are a people of many cultures and races from places spanning the earth.

Besides enabling him to represent many people as one, Scott's approach has the additional benefit of avoiding the limits of traditional realism, allowing greater compositional dynamics and complexity. The sculpture then becomes a three-dimensional composition that is appealing from all sides.

Scott has used this multi-ethnic approach in other projects he has done in Denver, Co., and Oakland and Richmond, Ca. This style reflects how the diverse population has come together with the waves of historic change.



Tens of thousands of stained glass windows will enthrall visitors entering the statue. The different sections of colored glass will serve as pixels that identify each part of the sculpture as it is seen from the outside.



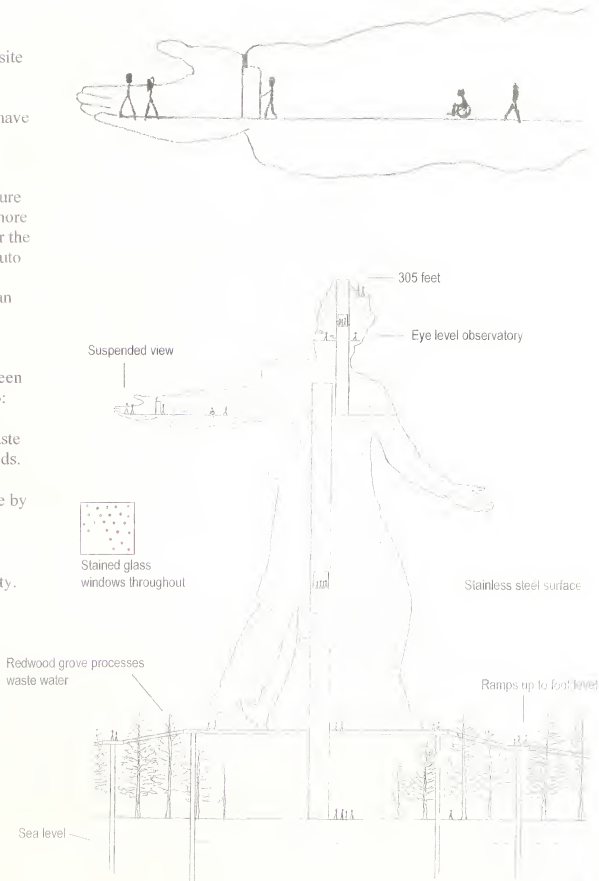
"Signer/Follow Me" is shown here for design concept. The statue's different parts will depict the West Coast immigration history through form, clothing and features. This story will also be told through displays and text.

Green monument

Thousands of daily visitors will be drawn across the Bay to this site creating a continuous stream of economic activity that will also have an impact on the environment. The increased demand for tourist access to Treasure Island will support a more robust ferry service for the Bay and help reduce auto traffic to and from Treasure Island and San Francisco.

The Statue of Unity Monument will use green building technology to:

- Treat and evaporate waste water using the redwoods.
- Heat and cool the statue by regulating sunlight entering the interior.
- Generate solar electricity.



The Sculptor Scott Donahue

Scott has been a professional sculptor since 1978, focusing primarily on public art. There are examples of his work throughout the Bay Area in private collections and in the public field, including six larger-than life size figures at the Millbrae Bart station.

He has already completed an award-winning sculpture for the City of San Francisco entitled "Kate, Allan, Javier, Ting-Ting, Sloanie" located at the Taravel Police Station, 24th and Taravel Avenues.

Scott has worked in several mediums and has developed unique structural and material approaches for particular commissions. He is currently working with specialty concretes, ceramics, bronze, and has pioneered a process for creating high-strength, light-weight, integrally colored concretes. For each of his projects, he develops solutions to ensure safety, and resistance to seismic forces.

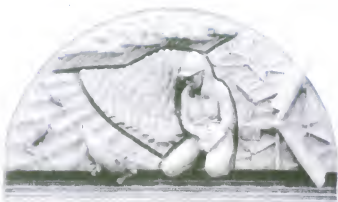
Scott graduated from UC Davis in 1982 with a masters degree in fine arts. He studied in Cuernavaca, Mexico, and has been a visiting artist and lecturer in Bologna, Italy. In addition, Scott has been a popular lecturer and art instructor in art classes at San Jose State, UC Davis, UC Berkeley, and California College of the Arts, among others.



"Kate, Allan, Javier, Ting-Ting, Sloanie", made for the City of San Francisco, Taravel Police Station 1996



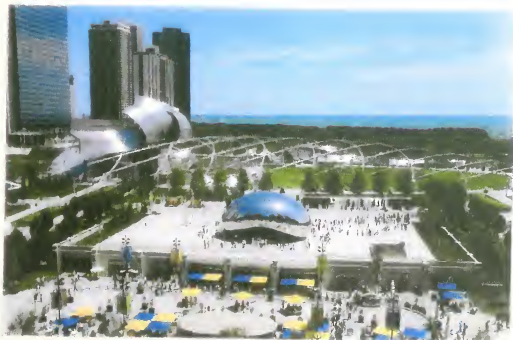
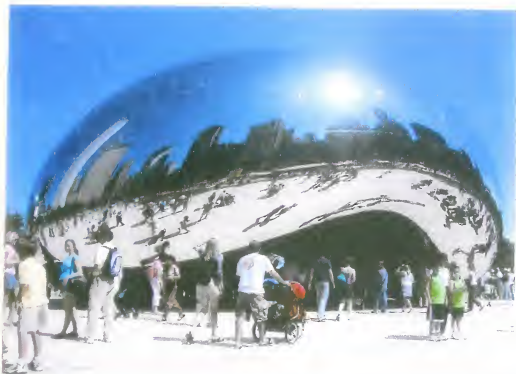
Six larger than life-size sculptures, Millbrae Bart Station 2002



The History of PG&E six unique panels each twelve feet by six feet Emeryville 1993

The Fabricator- Ethan A. Silva, president of Performance Structures Inc

Ethan was the only fabricator to rise to the challenge of making "Cloud Gate". He has pioneered fabricating processes that have defined unique and beautiful results.



Millennium Park, Chicago, IL
Anish Kapoor's "Cloud Gate"
Fabricated by Performance Structures, Inc.



The Fabricator



William A. Silva built the hydraulically elevated platform that lifted the Olympic flame at the opening ceremony in Los Angeles, 1984.

events included projects in the U.S., Japan, South Korea, and Australia. In recent years he has applied his experience and expertise to the fabrication of significant fine art. As President of Performance Structures, Inc., Oakland, Ca, he is the driving force behind the structural design, coordination of engineering, detail design, and meticulous construction of each of his projects.

A few of his notable projects include major attractions for Disney World Orlando, the Atlanta Olympic City, and Universal Studios as well as extravagant rock and roll stage structures for the world tours of the Rolling Stones, U2 and Pink Floyd. The 1984 Olympic Flame Lighting Ceremony, televised internationally, was performed on an elevating riser system engineered and constructed by Silva. He then took part in the creation of a Fox Studios Australia amusement park attraction based on the sinking of the Titanic, including a massive hydraulic motion base designed to shake and roll the ocean liner's third class lounge and its thrill seeking passengers.

A notable Bay Area project is the giant baseball mitt in San Francisco's Giants Stadium. Silva's firm built the structural support and assembled the components for this replica of a 1927 glove.

His firm's most recent major project is Cloud Gate, Chicago's newest public art located in Millennium Park. This spectacular polished stainless steel sculpture, built for the renowned British artist Anish Kapoor, was first unveiled in the summer of 2004 and has already become a world famous destination.

William A. Silva has designed and built large-scale projects for over thirty years. A graduate of the University of California at Berkeley, he majored in physics with sculpture as a secondary area of study. He began to work with steel boat design and reconstruction, including the reengineering of a classic wooden schooner design into a modern steel-hulled research vessel. After completing several commercial boat projects, Silva went on to create rock and roll stage components, including many sophisticated mechanical, hydraulic, and electronic moving effects. An expansion into theme park attractions and worldwide





TREASURE ISLAND DEVELOPMENT AUTHORITY

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NOTICE OF RESCHEDULED MEETING

Treasure/Yerba Buena Islands Citizens' Advisory Board

NOTICE IS HEREBY GIVEN that the meeting of the Treasure/Yerba Buena Islands Citizens' Advisory Board scheduled for **Tuesday January 3, 2006 at 6:00 PM** at the San Francisco City Hall Room 201 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102 has been rescheduled.

The next meeting of the Treasure/Yerba Buena Islands Citizens' Advisory Board will be held on **Tuesday January 10, 2006 at 6:00 PM** at San Francisco City Hall, 1 Dr. Carlton B. Goodlet Place, Room 201, San Francisco, CA 94102

There will also be a second CAB meeting in January 2006 now tentatively scheduled for Tuesday January 17, 2006 and location to be determined. This date will be confirmed and noticed after the January 10th meeting.

Treasure/Yerba Buena Island Citizens' Advisory Board

MEETING AGENDAS AVAILABLE ON E-MAIL

If you would like to receive TICAB meeting agendas by e-mail, please send your name and e-mail address to TICAB@sfgov.org.

Disability Access

The Treasure/Verba Buena Island Citizen Advisory Board meets on Treasure Island in Building 442, San Francisco City Hall, 1 Dr. Carlton Goodlett Place or at the San Francisco Redevelopment Agency. All buildings are accessible to persons using wheelchairs, and others with disabilities. For American Sign Language interpreters or use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please telephone 554-6789 or 274-0660 at least 48 hours before a meeting.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City accommodate these individuals.

The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

The closest accessible BART is Civic Center, three blocks from the City Hall at the intersection of Market, Grove and Hyde Streets. Accessible MUNI lines serving this location are: #42 Downtown Loop, 9 San Bruno and the #71 Haight/Noriega. Accessible Muni Metro lines are J, K, L, M and N stopping at the Muni Metro Civic Center Station at Market and Van Ness. For more information about MUNI accessible services, call 923-6142. Accessible curbside parking is available on Grove Street.

TREASURE ISLAND WEBSITE

Check out the Treasure Island website at www.sfgov.org/treasureisland to find out about activities and facilities on Treasure Island, special events venues for rent, or to review the Treasure Island Development Authority's agendas and minutes.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance [Chapter 67 of the San Francisco Administrative Code] or to report a violation of the ordinance, contact Donna Hall by mail at Sunshine Ordinance Task Force at City Hall, Room 409, 1 Carlton B. Goodlett Place, San Francisco, CA 94102-4683. The Task Force's telephone and fax numbers are (415) 554-7724 and (415) 554-5163 (fax) or by email at Donna_Hall@sfgov.org. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org/bdsuprvts/sunshine/ordinance.

CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
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WWW.SFGOV.ORG/TREASUREISLAND



JOANNE SAKAI
DEPUTY EXECUTIVE DIRECTOR
SAN FRANCISCO
REDEVELOPMENT AGENCY
ON BEHALF OF TIDA

December 30, 2005

Mr. Mark Wertheimer
Naval Historic Center
805 Kidder Breese St, SE
Washington Navy Yard
Washington, DC 20374-5060



Dear Mr. Wertheimer,

This letter constitutes the Treasure Island Development Authority's (TIDA) response to your October 26th, 2005 request for information on TIDA's efforts to date to establish a museum for the purpose of displaying the Treasure Island Museum Collection (Collection). It is TIDA's wish to incorporate the artifacts of the Collection into the museum and overall historic component of the redevelopment of Treasure Island/Yerba Buena Island (Islands) that is currently being planned. Due to the unique relevance of the Collection to the Islands and its current location in storage on Treasure Island, as well as the ongoing interim reuse and future redevelopment of the Treasure Island Naval Base [use its formal name], we feel discussion and planning for the future reuse of the Collection should warrant a working process different from the standard Naval Historic Center (NHC) proposal review. To that extent, attached to this letter you will find:

1. A copy of a Draft Collection Policy for the Treasure Island Museum formulated by TIDA staff in July 2003
2. A letter from TIDA to Ms. Erica Spinelli of the Navy's San Diego BRAC Office, dated August 3, 2005 requesting use of the Treasure Island Museum Collection for the establishment of a virtual museum
3. A letter from Treasure Island Community Development, LLC stating its intent to incorporate the Collection into the historic programming envisioned for the redeveloped Treasure and Yerba Buena Islands

As you may be aware, several years ago TIDA and Navy staff held initial dialogue about the future of the Collection on Treasure Island and TIDA's role in maintaining the Collection and planning for its future use. As part of this previous dialogue, the attached Draft Collection Plan was created by TIDA staff and submitted to NHC in response to NHC's request. It was TIDA staff's understanding at the time that this document would serve as a starting point for the

formation, and NHC's review, of a formal plan for long-term care and display of the Museum Collection on Treasure Island.

More recently, TIDA submitted a request for use of items in the Treasure Island Museum Collection for the purpose of establishing a virtual museum portion of the TIDA website. The vision of a virtual museum website was to provide the public visual access to many of the items of interest which make up the Collection, specifically those related to the 1939-1940 Golden Gate International Exposition. This request was submitted in August of 2005 through the BRAC staff in San Diego, who have subsequently informed me that it is following the proper route of internal Navy review and consideration. It is our hope that this project will serve as a starting point for cooperation between NHC and TIDA, as well as for discussions about TIDA's role in regards to the long term future of the Collection.

To that end, also attached is a letter from Treasure Island Community Development LLC (TICD) which is party to an Exclusive Negotiating Agreement with TIDA for the redevelopment of Treasure and Yerba Buena Islands. TICD has proposed a museum space as part of the land use and public space component for redevelopment and has also on numerous occasions clearly stated its intent to make history and programming that showcases the storied history of Treasure Island as a main element of the redevelopment plan. With your concurrence, TIDA would like to coordinate a meeting with the NHC, TICD and representatives from the Mayor's Office of Base Reuse and Development to discuss the specifics of TIDA's and TICD's vision for the long-term use of the collection. Among other things, TIDA believes that this dialogue should focus on: (i) the status of the items that make up the Collection; (ii) how to properly care for and utilize the artifacts stored on Treasure Island during the current interim reuse pending transfer of the base; (iii) determining the appropriate methods and procedures for incorporating the Collection into the museum and historic component of the new Island community in a manner that is satisfactory to NHC; and (iv) NHC's comments to the Draft Collection Policy for the Treasure Island Museum submitted by TIDA in July 2003.

We at TIDA look forward to establishing a sound collaborative process between TIDA and NHC by which a proper long-term plan for maintenance and display of the Collection can be established to ensure that future visitors to the Islands will enjoy the contents of this historic and popular Collection for generations to come.


Sincerely,



Joanne Sakar

Deputy Executive Director, San Francisco Redevelopment Agency

On behalf of the Treasure Island Development Authority

Signed 12-30 by 

TIDA Board of Directors

Mr. Douglas Gilkey, U.S. Navy BRAC-PMO West

Mr. An Bui, U.S. Navy BRAC-PMO West

Attachment 1

July 2003 TIDA Draft Collection Plan

Collection Policy of the Treasure Island Development Authority for the Treasure Island Museum Collection July, 2003

Statement of Purpose:

With respect to the Treasure Island Museum Collection, including historic Naval artifacts which are part of this collection, the mission of the Treasure Island Development Authority ("the Authority") is to expedite the re-introduction of the Treasure Island Museum Collection ("the Collection") to public accessibility both on Treasure Island and in cooperation with other accredited museums in the immediate San Francisco Bay Area. At the same time the Authority will establish a plan for a permanent and extensive display area for the collection within the overall redevelopment plans for former Naval Station Treasure Island.

Scope of Collection:

The Treasure Island Museum Collection encompasses items which relate to the history of Yerba Buena Island as a natural island, the creation of Treasure Island in the 1930's, the 1939 Golden Gate International Exposition (GGIE), the Island's aviation history, and U.S. Navy artifacts which relate directly or indirectly to Treasure Island's time as an active Naval Base.

Ethics- TIDA agrees strongly with the American Association of Museums 2000 Code of Ethics and follows these guidelines, in addition to its own collections policy, as a guide for ethical behavior and standards regarding the museum collection. TIDA also realizes that the long term mission of the Treasure Island Museum, as generally defined in the AAM Code of Ethics 2000, is to serve as a resource for understanding the human experience, specifically the experiences of the people who shaped the 60-plus year history of Treasure Island. As caretaker of this collection, TIDA has a responsibility to maintain both the resources which make up the collection as well as the overall structure and spirit of the Museum Collection, which already has a long history of serving residents of the San Francisco Bay Area.

Care, Accountability, and Management of the Collection – A specific TIDA staff member, under the direction of the TIDA Executive Director, has complete authority over and responsibility for the museum collection and all aspects of management, care and accountability for the collection. Decisions regarding acceptance of items into the collection or deaccession of items out of the collection, depending on their monetary value or historical significance among other mitigating circumstances, may be deferred to the 7 member Treasure Island Development Authority Board. Any volunteers, outside volunteer groups or interns working with the museum collection are not allowed to have

any autonomous responsibility or autonomous decision making authority regarding any parts of the Museum Collection or its display.

Acquisition and Deaccession Authority- The TIDA Executive Director has initial discretionary review of all items offered as gifts to the collection from other museums, private groups and citizens. Upon recommendation by the Executive Director, final TIDA board approval is required for the acceptance of any gifts or donations of items to the Museum Collection, including those acquired from local and state agencies and any items that require the expenditure of TIDA funds. Acquisitions are limited solely to items which fall under the afore-mentioned scope of the Collection.

Access to Collection- A dedicated TIDA staff member has access to the collection due to its role as caretaker of the collection. All others (volunteers, interns, visitors, etc.) have supervised access only with prior permission and only during predetermined, scheduled times, likely to be restricted to weekdays during working hours. All access into the collection, either by TIDA staff or others, is documented as to time, date, and persons accessing the collection.

Use of collection- The primary purpose of the collection is display for public enjoyment and the enhancement of Treasure Island. The collection and museum will be used for a public benefit, such as educational purposes, whenever appropriate and possible. TIDA does not expect the Museum Collection to be used as any sort of a major revenue-producing source.

Collections Management Activity

Documentation - TIDA will rely on an accurate manifest, obtained either from the NHC or the U.S. Navy Caretaker Site Office, to inventory and account for the Museum Collection upon such time as TIDA is granted caretaker status. TIDA relies on this manifest for such documentation notations as "who brought it in", "when the item entered the custody of the museum", "legal status", and "interesting historical information associated with the item". TIDA must rely on this information for most current items due to the fact that TIDA staff does not possess any institutional knowledge of the individual items in the collection.

Upon receipt of such manifest, TIDA intends to perform its own inventory to establish an updated manifest with which to begin documentation, in order to account for any additions or subtractions to the collection not listed on the previous manifest. In addition TIDA staff will, if not already noted, provide a physical description of the item and note current location (including any collection #'s or box #'s pertaining to storage).

TIDA assumes the complete accuracy of information contained on the most recent manifest obtained from the NHC or U.S. Navy in terms of the amount of background information already associated with each item.

Any new items accepted into the collection are documented and processed as to provide as much information, both historical and descriptive, possible about the item.

Such notations include the date accepted into the collection, who the item was donated or acquired from and a physical description of the item including any noticeable damage to the item upon acceptance into the Collection. This process involves keeping a detailed set of files for each item accepted into the collection after TIDA takes caretaker status, including copies of any and all documentation relating to the donation of the item, the formal acceptance of the item into the collection by TIDA staff and the TIDA Board, and any other related information or photos pertaining to the item or items.

Acquisition of Collection

TIDA expects no extensive collective actions until a permanent location for the museum is established on Treasure Island. Items acquired for the Treasure Island Museum Collection are limited to items which fall within the previously mentioned scope of the collection. Criteria which also influences whether or not to acquire a specific item into the collection includes:

- whether there are duplicates of the same item or similar items already present in the collection (we expect this to be the case especially with items relating to the 1939 Golden Gate International Exposition, where "collectibles" and "handouts" were probably plentiful and distributed to many people throughout the course of the Faire)
- the display or storage of the item does not present problems or hazards to the staff due to extreme size, weight or other physical properties
- the donor is willing to cede decisions regarding care or display of the item solely to TIDA staff
- the item contributes to the overall prestige of the collection and is not simply a piece of "memorabilia" that lacks historical significance or direct significance to Treasure Island

This policy must be determined on a "piece by piece" basis, as items are offered for donation. Staff hopes to eventually identify a person or persons to whom they can turn for professional curatorial advice as to the historical significance or value of certain items offered for donation with which they are not themselves familiar.

If any item offered for donation was recovered from a sunken Navy Vessel or Navy Aircraft Wreck, TIDA staff will inform the potential donor that they should first communicate and coordinate with the U.S. Navy and the Naval Historic Center. At such time as these entities determine that a donation of such an item to the Treasure Island Museum Collection is appropriate, staff will continue with the established procedure for determining whether to accept such a donation, followed by the established procedure for accepting and processing this item.

TIDA finds it highly unlikely that the Museum collection would accept a whole collection as one large donation. This is the case because a collection of significant size, accepted all at once, would potentially create storage problems. Also it is unlikely that a collection of any significant size would be composed entirely of Treasure Island related materials. Accepting such a collection in its entirety would mean accepting items which do not fall under the scope of the collection. Also it may set a precedent of accepting

whole collections, which would potentially cause donors to want to donate whole collections instead of only pieces which relate to the scope of the museum.

If an entire collection was offered to the museum, staff will communicate to the donor that interest is limited to those items which related to the afore-mentioned scope of the collection. If the donor is amenable to limiting their donations to such items, staff will commence with the evaluation, acceptance and processing of the items into the collection. This transfer will be done as one transfer or gift agreement incorporating multiple items, not as individual transfer of gift agreements of each item accepted. Should the donor insist that the museum accept a collection composed of items both related and unrelated to the scope of the collection on an "all or nothing basis", it is very likely that the donation will not be accepted. Staff is very wary of adding numerous unrelated pieces to the museum collection, thus minimizing storage and display space as well as creating unnecessary additional work for staff. Staff will be happy to provide contact information for other museum associations that may have interest in obtaining such items.

TIDA will not accept items with the express intent of exchanging them or offering them for sale at a later point. TIDA is not in the business of trading or selling antiquities for profit. Any exchange envisioned would be an item for item exchange, with another properly accredited museum or historical group, on a temporary basis. The idea behind this is to potentially acquire, for a limited time, an item or items of historical significance or public interest which would be used for display purposes within the museum, or to allow other such groups to display an item or items from the Treasure Island Museum Collection which might not be currently displayed but could generate public interest if displayed temporarily in another location. TIDA insists that any other museum or group displaying T.I. Museum Collection items adhere to, at the minimum, the same policies for ethics, transport, display and documentation that the TI Museum Collection falls under.

Attachment A: current TIDA Deed of Gift document

Deaccessioning of Collection Items - Deaccessioning of items currently in the Treasure Island Museum Collection is not anticipated at the current time, nor in the near future. TIDA believes that previous curators of the Museum Collection have kept the items in the collection limited to a scope which reflects directly on the history of Treasure and Yerba Buena Islands. Thus there is no anticipation of any major "clean-out" of superfluous items.

Any decisions on the deaccessioning of items would only be made after such time as TIDA has performed its own inventory of the entire collection. At such time there may be items which are determined to not directly relate to the history of Yerba Buena Island, the creation of Treasure Island, the 1939 Golden Gate International Exposition or Treasure Island's history as an active Naval Base. TIDA also intends to subject present collection items to the criteria suggested by the NHC:

-The item has little or no meaningful relevance to the T.I. Museum Collection

- The item is damaged beyond restoration ability or value or artistic merit
- The item is of marginal artistic or historical value or merit
- There are excessive quantities of the item(s) already in the collection
- The inability of TIDA to properly care for or store certain items, based on size, value or other factors

TIDA realizes that deaccession of such items also involves finding a suitable recipient for these items. The most likely scenario for any deaccession of an item or items would be a permanent transfer to an accredited group or museum, preferably located within the San Francisco Bay Area, with a similar mission purpose as that of the Treasure Island Museum. Two such groups, for example, are the Marine's Memorial Building in San Francisco (previously suggested to TIDA by the NHC and US Navy Treasure Island CSO Office) or the U.S.S. Hornet Museum in Alameda.

The process for deaccession of an item is similar to the process for accepting an item into the collection, wherein a deed of gift would be executed between TIDA and the accepting party and approved by the Authority Board. Also any supporting paperwork and documentation is kept along with a detailed record of the item, including a description of the item at the time of transfer and notations such as date of deaccession, group to which the item was transferred and whom specifically from that group the item was transferred to would be established and kept along with similar records for any other deaccessioned items.

Risk Management

Security- Currently, the Treasure Island Museum Collection is securely stored in Building 449, a climate controlled building, on former Naval Station Treasure Island. If granted caretaker status, TIDA anticipates keeping the collection in this building for the near future and will work to include Building 449 in the land and structures master lease between the U.S. Navy and TIDA. Building 449 is a structurally sound building, and it's security is reinforced by a locked chain link fence surrounding the entire premises. The museum collection is currently stored in a separate room within Building 449, accessible only by key and secured behind a chain link fence within the storage room. Currently, access to this building is only by arranged appointment with the U.S. Navy Caretaker Site Office on Treasure Island. We anticipate having a similar procedure in place, where any visit to the stored collection by anyone besides the designated TIDA staff member assigned to the museum project would have to be pre-arranged, documented, and a TIDA staff member would escort any visitor on their visit to the collection.

The security of written and automated documentation relating to the collection is an obviously high priority for TIDA. One possibility for secure storage of written documentation, especially those involving items in the collection, would be to keep this documentation in some sort of fireproof safe or in a secure room, apart from the actual collection items, which would guarantee that this information couldn't be destroyed or damaged in the unforeseen case of a break-in or fire. Automated back-up documentation would be created and applied whenever possible, be it manifest lists of the collection,

computer PDF files and images of museum items and documentation or other such files, are saved on TIDA's secure network and file server.

Disaster Preparedness

The two potential natural disasters Treasure Island could encounter are earthquakes and fires. TIDA intends to do everything in its power to assure that the museum collection isn't irreparably harmed should a disaster occur. The police department and fire department on Treasure Island have been notified of the importance of the items within Building 449, and all efforts will be made to assure the safety and integrity of the building, and collection inside, should a disaster threaten the building or immediate area. Currently we are unaware of the exact seismic condition of Building 449, but this is something that TIDA intends to obtain and review with the help of the Treasure Island Caretaker Site Office in the near future. TIDA's intent is to have any building used for future storage or display of the Treasure Island Museum Collection be seismically sound and up to current seismic safety standards and regulations.

Legal and Financial Issues

Any outside legal counsel necessary will be taken from the Office of the City Attorney for the City of San Francisco.

Loans

All loans, outgoing or incoming, are made only under the following criteria:

- Any loan request from another museum or historical group is considered only after a formal written request is submitted to TIDA. This request should indicate:
 - +the name of the group or organization requesting the loan
 - +a specific description of the item or items requested loaned to the group
 - +the amount of time this group is requesting to be loaned the item for
 - +the location of where the loaned item is to be publicly displayed
 - +a brief synopsis of how and where the item will be displayed (individually, part of a themed display, inside, outside, what type of display casing and security will be provided, etc.)
- The loan must be to another local or state government entity or an accredited museum or museum group that will offer public access to the items which are being loaned. Loans are not be made to private collections or groups which do not anticipate public display of the loaned items.
- No loan is made for an open-ended period of time. All loans are for a specific time length, agreed upon beforehand by both TIDA and the entity accepting or offering the

loaned item. Extensions of the loan period will be executed should both parties be satisfied with the original loan agreement and agree to an extension of the term.

A written contract agreement will be executed between TIDA and the party accepting or offering the loaned item which will specify, among other things; the item(s) loaned, the period of the loan, acknowledgement by the group accepting the loan that they will abide by all TIDA policies involving loan policies, proper care, display and security procedures, and an acknowledgment that the loaned item will be featured in a publicly-accessible display. A TIDA contract or agreement will be executed along with whatever documentation or contract is proffered by the other party.

- Agreement between both parties as to the procedure for physical acceptance of the loaned item(s), transfer and transport of the loaned items, as well as the financial responsibility for transport and care of the item are established before any physical exchange of items is made. Pending specific prior agreement, TIDA assumes that any group requesting the loan of an item should be prepared to arrange proper transport and care of the item as well as be able to pay all associated costs.

Exhibit A

Standard TIDA Deed of Gift Document



TREASURE ISLAND DEVELOPMENT AUTHORITY

210 S. VAN NESS BLVD. SUITE 200
 SAN FRANCISCO, CA 94133
 TEL: 415.398.1234 FAX: 415.398.1235
 WWW.TIDAUTHORITY.ORG

DEED OF GIFT

By these presents I (we) irrevocably and unconditionally give, transfer, and assign to The Treasure Island Development Authority and its successors and assigns by way of gift all right, title, ownership, possession and interests including all copyright, trademark, and related interests, now and associated with the objects described below. I (we) affirm that I (we) own said objects and that to the best of my (our) knowledge I (we) have good and complete right, title, and interests including all copyright, rights to reproduce, adapt, distribute, perform and display, trademark, and related interests to give. The Treasure Island Development Authority and its successors and assigns shall have ownership of said object(s) including, without limitation, full power of management, display, conservation, and disposition at its sole discretion in accordance with its general charitable purposes.

To the best of my (our) knowledge, the object(s) of this gift is/are genuine, free and clear of all encumbrances and restrictions and since has/have not been imported into or exported from any country contrary to any applicable laws or treaties.

I (we) represent and warrant to the Treasure Island Development Authority that (1) I (we) have full power and authority to sell, assign and transfer all right, title and interest in and to the object(s); and (2) that I (we) have acquired good and clear title to the object(s).

In the event any claim against The Treasure Island Development Authority or its successors and assigns relating to title of the object(s), I (we) will assume responsibility for representation of the Authority, will arrange for such representation, will pay all fees and costs in connection with such representation and will be responsible for payment of any settlement or judgement against the Authority.

DESCRIPTION OF ITEM(S)

• (Physical description of items, special annotations or information)

Hereby indicate your agreement to and acceptance of these terms by signing in the space below:

DONOR NAME _____

DONOR SIGNATURE _____

DATE: _____

ADDRESS OF DONOR(S) _____

TELEPHONE NUMBER _____

Attachment 2

**August 3, 2005 Letter from TIDA to
U.S. Navy BRAC, San Diego Office**

Treasure Island Virtual Museum Project Overview

Treasure Island Development Authority

WHAT: A public, web-based catalogue of the items that make up the Treasure Island Museum Collection, featuring items from the 1939-1940 Golden Gate International Exposition and Treasure Island's time as an active Naval installation.

WHEN: NHC approval of TIDA's access to and use of the Collection is a pre-requisite for submittal of the application for local grant project funding to the State Department of Parks and Recreation. TIDA requests an expeditious review and approval of the proposal and is willing to work closely with the NHC to address any questions or concerns the NHC may have about any aspect of the project.

WHERE: Should it please the NHC, TIDA proposes conducting this project inside Building 449 on Treasure Island, where the Museum Collection is currently housed. There are several offices of varying size located in the wing of Building 449 that houses the museum "cage" which should provide ample room for photography and organization while not subjecting the Collection pieces to extended travel or excess handling. This area of Building 449 is currently under Navy control, and TIDA hopes to continue its excellent relationship with Treasure Island CSO staff in coordinating access and use of this wing of Building 449 for the purpose of the project.

WHY: Based on the amount of inquiries made to the TIDA office regarding the fate of the Museum formerly located in the lobby of Building 1, we believe that interest in the history of Treasure and Yerba Buena Islands remains very high in the Bay Area. The TIDA office also receives regular visitors to the Island whom either attended the Worlds Faire or were stationed on Naval Station Treasure Island and remain connected to the Island and the memories of their time spent there. TIDA believes that the items which comprise the Treasure Island Museum Collection represent a significant era in the history of San Francisco and the entire Bay Area, and views the reintroduction of the collection through this virtual museum to be a benefit to the entire community.

HOW: Each piece of the museum collection will be professionally photographed under correct lighting conditions to assure the best graphic quality of on-line display. The images and descriptive text compiled about each item will then be combined into a user-friendly website which allows access to the electronically cataloged items to provide for public enjoyment and an interactive history of the Islands. TIDA intends to contract with a professional art photographer for the work, and also plans to enlist the guidance and assistance of civic art and historical institutions such as the San Francisco Museum and Historical Society, San Francisco Arts Commission and the Fine Arts Museums of San Francisco.

PROCEDURAL GUIDE
FOR
LOCAL GRANT PROJECTS
FUNDED BY
LEGISLATIVE GRANTS FROM VARIOUS SOURCES

State of California – The Resources Agency

Department of Parks and Recreation

Revised July 2000

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INTRODUCTION

This guide will assist you with state grant funds administered by the California Department of Parks and Recreation (DPR). Processing of grant documents will be expedited if the name of the project officer assigned to your agency is included on correspondence. Grant applications should be addressed to:

Project Officer (Name)
California Dept. of Parks and Recreation
Office of Grants and Local Services
1416 Ninth Street, Room 940
P. O. Box 942896
Sacramento, CA 94296-0001
Telephone: (916) 653-7423
FAX Telephone: (916) 653-6511
grants@www.localservices@parks.ca.gov

IMPORTANT POINTS

1. Funds cannot be disbursed until there is a fully executed contract between DPR and the Grantee.
2. All real property shall be acquired in compliance with current laws governing relocation and acquisition of real property by public agencies.
3. Contracts for funds approved by the Legislature must be executed within the period of availability provided in the state budget, normally the fiscal year in which the funds are appropriated and two fiscal years thereafter. Two additional years are provided to complete the project, totaling five years from the date of appropriation.

WHAT TO SUBMIT

A complete application consists of one copy each of the items listed on the back of the application form (Appendix A).

PROJECT ADMINISTRATION

Normal Grant Process

1. Grantee completes and submits applications to DPR.
2. DPR reviews application materials and sends a contract to Grantee.
3. Grantee returns signed contract to DPR.
4. DPR returns a fully executed contract to Grantee.
5. Grantee may submit payment request for a 10% advance for project planning (Appendix D).
6. Grantee commences work on project and may submit payment request up to 90% of grant amount (Appendix D).
7. Grantee completes project and submits project completion packet (Appendix E).
8. Project officer makes final project inspection.
9. DPR may perform an audit of completed project.

Project Withdrawal

If a jurisdiction fails to apply or otherwise elects not to use its allocation, the allocation will be lost to that jurisdiction. In the event an approved project cannot be completed, and if grant funds were advanced, those funds plus any accrued interest must be returned to the state.

Changes to Approved Project

A Grantee wishing to change the scope of an approved project shall submit the proposed change in writing to DPR for approval. Any change must be consistent with the authorizing legislation.

Payments of Grant Funds

After DPR has signed the contract, 10% of the total grant amount may be requested for initial project costs. For development projects up to 90% of the total grant or 100% of the actual development cost, whichever is less, may be requested after the construction contract is awarded or force account construction has commenced.

For acquisition projects, up to 90% of the grant or 100% of the actual acquisition cost, whichever is less, may be advanced after the property is in escrow. Such advance shall be placed immediately into escrow, or deposited with the court in condemnation cases.

For non-capital projects, up to 90% of the grant, or 100% of the actual cost, whichever is less, may be requested when project activity commences.

The remaining 10% will be reimbursed after project completion.

Grantee should allow four to six weeks to receive payment after submitting request for payment.

When completing the payment request forms, all figures should be rounded to the nearest dollar.

Accounting Requirements

The Grantee shall maintain an accounting system that accurately reflects fiscal transactions, with the necessary controls and safeguards. This system shall provide a good audit trail, including original source documents such as receipts, progress payments, invoices, time cards, etc. The system shall also provide accounting data so the total cost of each individual project can be readily determined. These records shall be retained for a period of three years after final payment is made by the state. AVOID AUDIT EXCEPTIONS - KEEP ACCURATE RECORDS

Eligible Costs

Only project-related costs consistent with the authorizing legislation are eligible, and must be supported by cancelled warrants and other records.

1. Preliminary costs - Preliminary project costs (e.g., construction plans, appraisals, acquisition negotiations, etc.).
2. Personnel or employee services - Services of the Grantee's employees directly engaged in project execution. These costs must be computed according to the Grantee's prevailing wage or salary scales, and may include fringe benefit costs such as vacations, sick leave, social security contributions, etc. that are customarily charged to the recipient's various projects. Costs charged to the project must be computed on actual time spent on a project, and supported by time and attendance records describing the work performed on the project. Overtime costs may be allowed under the recipient's established policy, provided that the regular work time was devoted to the same project.

Salaries and wages claimed for employees working on state grant funded projects must not exceed the Grantee's established rates for similar positions.

3. Consultant services - The costs of consultant services necessary for the project.
4. Construction equipment - Equipment owned by the Grantee may be charged to the project for each use. Equipment use charges must be made in accordance with the Grantee's normal accounting practices. The equipment rental rates published by the State Department of Transportation may be used as a guide.

If the Grantee's equipment is used, a report or source document must describe the work performed, indicate the hours used, relate the use to the project, and be signed by the operator and supervisor.

Equipment may be leased, rented, or purchased, whichever is most economical. If equipment is purchased, its residual market value must be credited to the project costs on completion.

5. Construction supplies and materials - Supplies and materials may be purchased for a specific project or may be drawn from a central stock, providing they are claimed at a cost no higher than paid by the Grantee. When supplies and/or materials are purchased with the intention of constructing a piece of equipment, a structure or a part of a structure, the costs that are charged as supplies and materials may be capitalized according to the Grantee's normal practice or policy. If capitalized, only that cost reasonably attributable to the project may be claimed under the project.

6. Signs and interpretive aids - The cost of signs, display boards, or other minor interpretive aids relating to the project.

7. Construction - The cost of all necessary construction activities, from site preparation (including demolition, excavation, grading, etc.) to the completion of a structure or facility.

8. Acquisition - Costs of acquiring real property are eligible and may include the purchase price of the property, appraisals, surveys, preliminary title reports, escrow fees, title insurance fees, and court costs of condemnation.

9. Relocation costs - Relocation costs are allowable for projects that result in displacement of any person and/or business. The Grantee must comply with applicable relocation laws even if relocation costs are not claimed for reimbursement.

10. Non-capital projects - All costs directly related to the project activity.

11. Other expenditures - In addition to the major categories of expenditures, reimbursements may be made for miscellaneous costs necessary for execution of the project. Some of these costs are:

a. Communications (such as telephone, letters, etc.)

b. Premiums on hazard and liability insurance to cover personnel and/or property

c. Work performed by another section or department of the Grantee's agency

d. Transportation costs for moving equipment and/or personnel

PROJECT COMPLETION

Refer to Project Completion Packet (Appendix E).

STATE AUDIT

After completion of the project, the state may audit the project records. The purpose of the audit is to verify that project expenditures were properly documented. The audit would be requested by the state after the final payment request has been received, all project transactions have been completed, and the Grantee has made the necessary payments.

If your project is selected for audit, you will be contacted at least 30 days in advance. The audit should include all books, papers, accounts, documents, or other records of the Grantee, as they relate to the project for which state funds were granted. Projects may be audited at any time up to three years after project completion.

To expedite the audit, the recipient shall have the project records, including the source documents and cancelled warrants, readily available. The Grantee shall also provide an employee having knowledge of the project and the accounting procedure or system to assist the state auditor. The Grantee shall provide a copy of any document, paper, record, or the like requested by the state auditor.

- All project records must be retained by the Grantee for a period of not less than one year after the state audit or final disposition of any disputed audit findings.

Attachment 3

**December 30, 2005 Letter from
Treasure Island Community Development to TIDA**

Treasure Island Community Development, LLC

**One Ferry Building, Suite 350
San Francisco, California 94111
Tel. 415-403-0280
Fax 415-956-3682**

December 30, 2005

Ms. Joanne Sakai
Deputy Director
San Francisco Redevelopment Agency
On behalf of the Treasure Island Development Authority
410 Avenue of Palms, Bldg. 1, 2nd Floor
San Francisco, CA 94130

Dear Ms. Sakai,

I am writing to express Treasure Island Community Development's (TICD) continued interest in the historical collection of artifacts from Treasure Island. Treasure Island and Yerba Buena Island's rich history - from it's intended use as an airport, to it's years as the home of the Golden Gate International Exposition, and it's Naval years are part of what makes Treasure Island unique. TICD looks forward to working with the Naval Historical Center, the Treasure Island Development Authority, and the community to create an appropriate opportunity to display these items as we continue our redevelopment planning.

Please feel free to contact me should you wish to discuss this further. We look forward to working with you as we move forward with this element of the reuse planning.

Sincerely,



Jay Wallace
Project Manager

December 30, 2005

Honorable Claudine Cheng, Chair
Board of Directors
Treasure Island Development Authority
Building One
410 Palm Ave.
Treasure Island
San Francisco, CA 94130



Dear Honorable Cheng:

I was delighted to read about the Land Use Plan for Treasure Island. This could be a model for other modern cities. However, it appears that the plan for accommodating cars needs to be revised.

A small island such as Treasure Island would be an ideal place to limit car use and rely more on other means of transport. So, it is obvious that more and better bus service would be a step in the right direction.

Thanks for forward looking plan. I look to its improvement on reducing the well known destructive element of automobile use.

Sincerely,

Denise D'Anne
351 Guerrero St.
San Francisco, CA 94103-3331

Treadwell & Rollo

6 January 2006
Project 1719.04

Mr. Jay Wallace
Kenwood Investments, LLC
1 Ferry Building, Suite 350
San Francisco, California 94111

Subject: Geotechnical Consultation
Proposed Treasure Island Development
San Francisco, California



Dear Mr. Wallace:

This letter presents Treadwell & Rollo's (T&R's) response to geotechnical-related questions regarding the proposed Treasure Island shoreline stabilization measures. More specifically, Ms. Joanne Sakai, Executive Director of the San Francisco Redevelopment Agency, requested additional information on whether the proposed changes to the heights and density of the planned residential structures will result in changes or modifications the design and character of the shoreline stabilization measures. As described below, it is T&R's opinion that the shoreline stabilization measures planned for Treasure Island continue to be appropriate stabilization measures for the proposed increase in numbers of dwelling units. Also, the new strategies for building foundations that are being proposed can accommodate the building types included in the revised development plan.

BACKGROUND

Treasure Island (TI) lies in San Francisco Bay, northeast of Yerba Buena Island (YBI). It has plan dimensions of approximately 3,400 feet wide and 5,500 feet long, and was constructed over natural shoal deposits by hydraulically placing approximately 29 million cubic yards of sandy fill within rock dikes that make up the perimeter of the island. T&R previously prepared a geotechnical report, dated 26 July 1995, for the *Treasure Island Reuse Plan*. This document evaluated existing subsurface data presented in previous reports by T&R and others. The objective of the 1995 report was to identify significant geotechnical issues and constraints that could impact the proposed development of TI. The report identified potential geologic and seismic hazards, such as strong ground shaking, consolidation of bay sediments, deep-seated slope instability, soil liquefaction, earthquake-induced settlement, lateral spreading, ground ruptures, sand boils, and loss of bearing support. Preliminary soil improvement techniques and foundation systems are discussed in the report to mitigate the detrimental effects of geologic and seismic hazards.

Since the preparation of the 1995 report, T&R and other geotechnical engineering firms, including URS, have reviewed the technical information pertaining to TI and have considered new information and engineering solutions. The additional information has been provided to the TIDA, CAB and the public.

FORMER AND CURRENT DEVELOPMENT PLANS

The former TI development plan included the construction of approximately 2,800 new residential units in a variety of product types from low rise two- to four-story homes constructed on stiffened mat foundations, to mid-rise and high-rise developments that would be supported on a variety of foundation systems, including piles.

The current development plan includes between 3,500 and 5,500 new homes consisting of a mixture of low-, mid-, and high-rise buildings with low-rise buildings ranging between 4 and 9 stories in height, mid-rise buildings ranging from 18 to 19 stories and high-rise buildings ranging from 23 to 40-plus stories. Some of the proposed buildings at the northwestern portion of the island will have one-level of below-grade basement. T&R believes that most of the buildings taller than approximately four stories in height will need to be supported on deep foundations.

As currently planned, the entire island perimeter will be strengthened and stabilized using soil improvement techniques consisting of stone columns and soil-cement columns. The soil improvement will be performed within an approximately 50-foot-wide zone that encompasses the entire island perimeter. The proposed soil stabilization measures will be used to mitigate the potential for earthquake-induced lateral spreading of the loose to medium dense sand and deep-seated rotational failure through the underlying Bay Mud, as previously described in reports prepared by T&R.

ASSESSMENT OF PLANNED SHORELINE STABILIZATION MEASURES

Based on our understanding of the current development plan, T&R concludes that the proposed perimeter stabilization measures do not need to change due to the proposed increase in size and weight of the new residential structures. The proposed mixture of low-, mid-, and high-rise buildings will result in heavier structures that may have a potential for developing higher lateral forces than the structures described in the former development plans. Those proposed buildings will need to be designed to resist lateral forces through a combination of passive earth pressure against embedded vertical faces of new foundation elements and through pile bending. T&R believes that the proposed structures may require piles with large diameters (approximately 2 to 3 feet in diameter) and stiff foundation components, such as a heavily reinforced concrete mat supported on large-diameter, concrete-filled steel pipe piles, to help resist the large lateral forces associated with the new buildings. Also, some localized ground improvement may be necessary based on the results of a site-specific geotechnical investigation. A geotechnical investigation should be performed and foundation recommendations should be developed during the final design of each new structure to insure that adequate vertical and lateral support is provided by the new building foundations.

Treadwell&Rollo

Mr. Jay Wallace
Kenwood Investments, LLC
6 January 2006
Page 3

We trust this letter provides the information you require at this time. If you have any questions, please call.

Sincerely yours,
TREADWELL & ROLLO, INC.



Dean H. Iwasa
Geotechnical Engineer



2006-01-06 Perimeter Stabilization Letter.doc



Notes

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No: 8(b)

Meeting Date: January 11, 2006

Subject: **Resolution Adopting a Policy That Future Fleet Vehicle Purchases by the Treasure Island Development Authority Shall Be Rated as Ultra-Low or Zero Emission Vehicles (*Action Item*)**

Staff Contact: Peter Summerville (415) 274-0660

BACKGROUND

In order to reduce emissions and air pollution San Francisco Environment Code, Section 406(a) states that any passenger vehicle or light duty trucks purchased by City Departments must be rated as an "ultra-low emission" or "zero emission" vehicle. Ultra-low and zero emission vehicles fall under three main categories: electric powered vehicles, hybrid (combination gasoline & electric powered) vehicles and CNG (Compressed Natural Gas) powered vehicles. Exemptions to this policy are set forth in Section 406(e) of the San Francisco Environment Code.

The Authority is a separate legal entity from the City and County of San Francisco and is not bound by the requirements of the City's Environment Code. Nevertheless, the Authority recognizes its responsibility to assist in the reduction of emissions and air pollution whenever possible. As a result, this resolution calls for the adoption of an Authority policy that all future passenger vehicle or light duty truck purchases made by the Authority comply with provisions substantially similar to those set forth in Environment Code Sections 406(a) and 406(e)(3).

RECOMMENDATION

Staff recommends approval of the resolution.

EXHIBITS

A Full Text of San Francisco Environment Code, Chapter 4, Section 406

[Future Purchase of Authority Fleet Vehicles]

Resolution Adopting a Policy That Future Fleet Vehicle Purchases by the Treasure Island Development Authority Shall Be Rated as Ultra-Low or Zero Emission Vehicles.

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the form Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for the Base in 1998; and,

WHEREAS, Chapter 4, Section 406(a) of the Environment Code of the City and County of San Francisco dictates that all City departments shall purchase or lease only models of passenger vehicles and light duty trucks that are rated as ultra-low emission vehicles or zero emission vehicles; and

1 WHEREAS, The Authority wishes to adopt a similar policy that any future purchases of
2 Authority fleet automobiles is done in substantial conformance with Sections 406(a) and
3 406(e)(3) of the Environment Code of the City and County of San Francisco; now therefore be
4 it

5 RESOLVED, That the Board of Directors of the Treasure Island Development Authority
6 hereby adopts a policy as follows:

7 1. Following the date of this Resolution, all future purchases or leases of passenger
8 vehicles and light duty trucks by the Authority shall be rated as ultra-low emission vehicle or
9 zero emission vehicle unless otherwise authorized by the Board of Directors of the Authority.

10 2. The Authority Board of Directors may grant an exemption from the requirements of
11 this Resolution under the following circumstances:

12 (A) Where the Authority staff demonstrates that no model of motor vehicle or
13 motorized equipment is available which will comply with the requirements of this Resolution
14 and meet the specifications of the Authority for its intended use. In deciding whether to grant
15 an exemption pursuant to this subparagraph, the Authority Board of Directors shall consider
16 the availability of funding for the purchase or lease of motor vehicles or motorized equipment
17 mandated by this Resolution.

18 (B) Where the Authority staff demonstrates to the satisfaction of the Authority
19 Board of Directors each of the following:

20 (i) That the cost of the vehicle or motorized equipment that complies with the
21 requirements of this Resolution is more than one and a half times the cost of an equivalent
22 low emission vehicle or motorized equipment powered by gasoline or diesel fuel;

23 (ii) That the Authority staff has applied for, but failed to receive, funding for
24 the purchase or lease of the vehicle or motorized equipment that complies with the
25 requirements of this Resolution from sources other than the Authority's General Fund; and

1 (iii) That the amortized cost differential cannot be recovered over the
2 operating life of the vehicle or motorized equipment that complies with the requirements of the
3 Resolution through a reduction in fuel, maintenance, and other costs incurred during the
4 operating life of such vehicle or equipment.

5 (C) Where the Authority staff demonstrates to the satisfaction of the Authority
6 Board of Directors that the use of vehicle or motorized equipment that complies with the
7 requirements of this Resolution would significantly disrupt the Authority's operations due to
8 the lack of adequate fueling and/or maintenance facilities for those motor vehicles or
9 motorized equipment.

10
11 **CERTIFICATE OF SECRETARY**

12
13 I hereby certify that I am the duly elected and acting Secretary of the Treasure
14 Island Development Authority, a California nonprofit public benefit corporation, and
15 that the above Resolution was duly adopted and approved by the Board of Directors of
16 the Authority at a properly noticed meeting on January 11, 2006.

17
18
19 _____
20 **Susan Po-Rufino, Secretary**
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Exhibit A

San Francisco Environment Code Chapter 4: Healthy Air and Smog Prevention

SEC. 406. PROCUREMENT OF VEHICLES BY CITY DEPARTMENTS.

(a) **Passenger Vehicles and Light-Duty Trucks.** Except as set forth in subsection (e), beginning 90 days from the effective date of this Chapter, all City departments shall purchase or lease only models of passenger vehicles and light duty trucks that are rated as ultra-low emission vehicle or zero emission vehicle. Commencing July 1, 2000, at least ten percent (10%) of all passenger vehicles and light duty trucks purchased or leased by the City within any fiscal year shall be zero emission models. The Mayor's Office and the Director shall review annual and supplemental vehicle funding requests from City departments to ensure that this requirement is met each fiscal year.

(b) **Medium Duty Vehicles.** Except as set forth in subsection (e), beginning 90 days from the effective date of this Chapter, City departments shall purchase or lease only Medium Duty Vehicles with engines having exhaust emissions levels rated as ultra-low emission or super ultra-low emission pursuant to Section 1956.8(h) of Title 13 of the California Code of Regulations or Medium Duty Vehicles that are rated as ultra-low emission or super ultra-low emission pursuant to Section 1960.1(h)(2) of Title 13 of the California Code of Regulations.

(c) **Heavy Duty Vehicles.** Except as set forth in subsection (e), beginning 90 days from the effective date of this Chapter, when purchasing or leasing Heavy Duty Vehicles, City departments shall purchase or lease only Heavy Duty Vehicles whose engines are certified under the optional standards for their exhaust emissions pursuant to Section 1956.8 of Title 13 of the California Code of Regulations.

(d) **Motorized Equipment.** Except as set forth in subsection (e), City departments shall purchase or lease only portable or stationary motorized equipment that is powered by alternative fuels.

(e) **Exemptions.**

(1) Notwithstanding any other provisions of this Chapter, this Section shall not apply to any motor vehicles that are used for public safety purposes. Such vehicles shall include, but are not limited to: police vehicles, fire vehicles, ambulances, and other emergency response vehicles. Nothing in this subsection shall be construed to prohibit City departments from purchasing or leasing motor vehicles used for public safety purposes that satisfy the requirements of this section. It shall be the policy of the City to purchase or lease emergency response vehicles that comply with the requirements of this section to the extent that the purchase or lease of such vehicles is feasible and practical.

(2) This Section shall not apply to the acquisition of buses by the Public Transportation Department for its fleet.

(3) Upon a written request from a City department, the Director may grant an exemption to the requesting City department from the requirements of this Section under the following circumstances:

(A) Where the requesting department demonstrates that no model of motor vehicle or motorized equipment is available which will comply with the requirements of this Section and meet the specifications of the department for its intended use. In deciding whether to grant an exemption pursuant to this subparagraph, the Director shall consider the availability of funding for the purchase or lease of motor vehicles or motorized equipment mandated by this Section.

(B) Where the requesting department demonstrates to the satisfaction of the Director each of the following:

(i) That the cost of the vehicle or motorized equipment that complies with the requirements of this Section is more than one and a half times the cost of an equivalent low emission vehicle or motorized equipment powered by gasoline or diesel fuel;

(ii) That the department has applied for, but failed to receive, funding for the purchase or lease of the vehicle or motorized equipment that complies with the requirements of this Section from sources other than the City's General Fund; and

(iii) That the amortized cost differential cannot be recovered over the operating life of the vehicle or motorized equipment that complies with the requirements of this Section through a reduction in fuel, maintenance, and other costs incurred during the operating life of such vehicle or equipment.

(C) Where the requesting department demonstrates to the satisfaction of the Director that the use of vehicle or motorized equipment that complies with the requirements of this Section would significantly disrupt departmental operations due to the lack of adequate fueling and/or maintenance facilities for those motor vehicles or motorized equipment.

(4) Where the Director grants an exemption pursuant to paragraph (3), the requesting department shall purchase or lease the model of motor vehicle or motorized equipment that will meet its specifications and has the lowest available ratings for emissions of NO_x and PM₁₀, and, if applicable, PM_{2.5} established by the California Air Resources Board for the type or class of vehicle or motorized equipment being purchased or leased.

(f) **Rules and Regulations.** The Director may promulgate such regulations as may be necessary from time to time to carry out the requirements of this section.

(g) **List of Vendors.** The Director shall develop a comprehensive list of vendors supplying motor vehicles and motorized equipment that comply with the requirements of this section for use by City departments in making purchasing or leasing decisions.

(h) **Other Requirements.** All motor vehicles and motorized equipment purchased or leased pursuant to this section shall meet all applicable safety standards and other requirements for the intended use of the vehicle or equipment.

(i) **Funding.** It shall be the policy of the City to: (1) use monies that are not part of a City department's regular appropriation, including, but not limited to, regional, state, or federal grants, to fund the entire purchase or lease price of ultra-low or zero emission vehicles or motorized alternative fuel equipment that is used in a pilot program or demonstration project; and (2) in all other cases, use such monies only to fund the difference in purchase or lease price between the ultra-low or zero emission vehicle or motorized alternative fuel equipment and the gasoline or diesel-fueled motor vehicle or motorized equipment that would otherwise be purchased or leased.

(j) **Annual Report.** Not later than September 1 of each fiscal year, the Director shall submit to the Mayor and the Board of Supervisors a report which includes a summary of motor vehicles and motorized equipment purchased or leased by City departments. Such report shall include a comparison of (i) the annualized projected maintenance and fueling costs for each type or class of motor vehicle and motorized equipment purchased or leased pursuant to this section, (ii) the estimated annualized maintenance and fueling costs for vehicles and motorized equipment that would otherwise be purchased or leased, and (iii) the projected reduction in the emissions of NO_x, PM₁₀ and, if applicable, PM_{2.5} from motor vehicles and motorized equipment purchased or leased pursuant to this section.

(k) **Phase Out of Highly Polluting Vehicles and Equipment.** Not later than eighteen (18) months from the effective date of this Chapter, each City department, with the cooperation of the Director, shall develop and recommend to the Board of Supervisors a plan to phase out the use of older and highly polluting motor vehicles and motorized equipment that have been in service for twelve (12) or more years. Such plan shall include, but is not limited to, a study into the feasibility of centralizing the purchase and ownership of City motor vehicles within the Department of Administrative Services, which are leased to City Departments on an as-needed basis. (Added by Ord. 171-03, File No.030422, App. 7/3/2003) (Derivation Former Administrative Code Section 85.7; added by Ord. 258-99, File No. 990624, App. 10/15/99)



AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 8(c)

January 11, 2006

Subject: Resolution authorizing the Executive Director to amend the Sublease with the San Francisco City Store for a portion of Building 34 to retroactively extend the term up to December 31, 2006 and increase the rent by 3% to \$264.70 per month beginning January 1, 2006

Staff Contact/Phone: Marc McDonald, Facilities Manager
(415) 274-0660

SUMMARY OF PROPOSED ACTION

This item seeks the approval of the Authority to enter into the Third Amendment to the interim sublease with the San Francisco City Store to use a portion of Building 34 for storage to retroactively extend the term up to December 31, 2006 and increase the rent by 3% to \$264.70 per month beginning January 1, 2006.

BACKGROUND:

On March 3, 2003, the Executive Director entered into a six months sublease with the San Francisco City Store (SFCS) to use a portion of Building 34 for storage. Building 34 has been used to store old mechanical parking meters from when the City converted to new electronic units. San Francisco City Store (SFCS) renovates the old parking meters for resale at the City Store. The renovation diverts the scrap metal from contributing to the land fill and targets to employ veterans to participate in the work. The actual renovation process occurs off site from the storage space at a warehouse on 3rd Street.

The Authority initially entered into a month-to-month sublease with SFCS for a six month Term. During this initial term the SFCS paid approximately \$0.25 per square foot for approximately 1,000, square feet of Building 34. In January 1, 2005 the rental rate was increased 3%, resulting in a rental amount of \$257.50 per month.

In accord with Treasure Island Development Authority ("TIDA") staff practice of reviewing rental rates upon renewal, staff determined that for All Urban Consumers in the San Francisco – Oakland – San Jose Standard Metropolitan Statistical Areas during the period October 2004 to October 2005 the Consumer Price Index increased by approximately 3%. As a result, TIDA staff recommends that the rental rate for the portion of Building 34 occupied by SFCA be increased by 3% from \$0.258 psf per month to \$0.265 psf per month or \$250.00 per month to \$264.70 per month.

Building 34 is located on the east side of Treasure Island, at the foot of California Avenue at Avenue M Street and across from Building 3. The building has had very little use and, prior to the occupancy by SFCA, was subject to vandalism. During the Navy's occupation of the island, Building 34 was a commissary.

RECOMMENDATION:

With the understanding that the use of building 34 is temporary and an extension of the term beyond December 31, 2006 would require the Authority to enter into an amendment of the sublease, staff recommends approval of the amendment to the month-to-month sublease with Davis & Associates, dba San Francisco City Store as stated above.

EXHIBITS:

- A. Third Amendment to Sublease Between San Francisco City Store and TIDA

1 [Amending the Sublease with San Francisco City Store to extend the term and increase
2 the rent.]

3
4 Resolution Authorizing The Executive Director To Amend the Month-To-Month
5 Sublease With The San Francisco City Store For A Portion Of Building 34 to
6 Retroactively Extend the Term up to December 31, 2006 And Increase The Rent By 3%
7 To \$264.70 Per Month Beginning January 1, 2006.

8
9 WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed
10 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
11 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
12 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
13 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
14 the public interest, convenience, welfare and common benefit of the inhabitants of the City
15 and County of San Francisco; and,

16 WHEREAS, Under the Treasure Island Conversion Act of 1997(the "Act"), the
17 California legislature (i) designated the Authority as a redevelopment agency under California
18 redevelopment law with authority over the Base upon approval of the City's Board of
19 Supervisors, and, (ii) with respect to those portions of the Base which are subject to the
20 Tidelands Trust, vested in the Authority the authority to administer the public trust for
21 commerce, navigation and fisheries as to such property; and,

22 WHEREAS, Under the Act and the Authority's Articles of Incorporation and Bylaws, the
23 Authority, acting by and through its Board of Directors (the "Board of Directors"), has the
24 power, subject to applicable laws, to enter into agreements or contracts for the procurement of
25 goods and services related to the activities and purpose of the Authority; and

WHEREAS, On March 3, 2003 the Authority's Executive Director, acting under Section
10 of the Authority's Rules and Procedures for the Transfer and Use of Real Property,

1 adopted by the Authority on March 11, 1998 (the "Transfer Rules") entered into a six month
2 month-to-month interim sublease, (the "Sublease") for the use of a portion of Building 34 (the
3 "Premises") as storage space for approximately 500 mechanical parking meters; and,

4 **WHEREAS**, On August 13, 2003, the Authority Board of Directors approved and
5 extension of the Sublease to September 3, 2004; and,

6 **WHEREAS**, On December 8, 2004, the Authority Board of Directors approved and
7 extension of the Sublease to December 31, 2005; and,

8 **WHEREAS**, The Subtenant wishes to extend the term of the Sublease up to December
9 31, 2006, and the Authority staff recommends such an extension at a 3% increase in the
10 monthly rental rate to \$264.70 per month beginning January 1, 2006; now therefore be it

11 **RESOLVED:** That the Board of Directors hereby approves and authorizes the
12 Executive Director to enter into a Third Amendment to the Sublease with San Francisco City
13 Store, in substantially the form attached hereto as Exhibit A, to retroactively extend the term
14 thereof up to December 31, 2006, and to retroactively increase the monthly rental rate by 3%
15 to \$264.70 per month beginning January 1, 2006, provided that nothing herein shall limit the
16 Authority's ability to terminate the Sublease on thirty days notice as provided in the Sublease.
17

18 **CERTIFICATE OF SECRETARY**

19 I hereby certify that I am the duly elected and acting Secretary of the Treasure Island
20 Development Authority, a California nonprofit public benefit corporation, and that the above
21 Resolution was duly adopted and approved by the Board of Directors at a properly noticed
22 meeting on January 11 2006.
23

24
25

Susan Po-Rufino, Secretary



RECYCLED PAPER MADE FROM 20% POST CONSUMER CONTENT

**THIRD AMENDMENT TO
INTERIM SUBLEASE**

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

**Davis & Associates,
dba San Francisco City Store
as Subtenant**

For the Interim Sublease of

**Building 34 at former Naval Station Treasure Island
San Francisco, California**

January 11, 2006

**THIRD AMENDMENT TO
TREASURE ISLAND SUBLEASE**

THIS THIRD AMENDMENT TO SUBLEASE (the "Third Amendment"), dated as of January 11, 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and Davis & Associates, dba San Francisco City Store ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

A. Sublandlord and Subtenant entered into that certain Interim Sublease dated March 3, 2003 (the "Sublease") to lease certain property commonly known as Building 34 (hereafter referred to as the "Premises") as depicted in Exhibit B attached to and incorporated in the Sublease.

B. The Sublease was for a term of six months.

C. On August 13 2003, the Board of Directors of Sublandlord adopted Resolution No. 03-137-8/27 authorizing the Executive Director of Sublandlord to enter into the First Amendment to the Sublease. On December 8, 2004, the Board of Directors of Sublandlord adopted Resolution No. 04-204-12/08 authorizing the Executive Director of Sublandlord to enter into the Second Amendment to the Sublease. The Sublease, the First Amendment to the Sublease and the Second Amendment to the Sublease are collectively referred to as the "Original Sublease."

D. On January 11, 2006, the Board of Directors of Sublandlord adopted Resolution No. _____ authorizing the Executive Director of Sublandlord to enter into this Third Amendment.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Defined Terms. Capitalized terms not separately defined herein shall have the same meaning provided in the Original Sublease.
2. Term of Sublease. Section 3.1 of the Original Sublease is hereby amended to read as follows:

"Term of Sublease. The term of this Sublease shall commence on March 3, 2003 (the "Commencement Date") and continue on a month to month basis expiring on December 31, 2006 (the "Expiration Date"), unless sooner terminated or extended pursuant to the terms of the Sublease."

3. Section 4.1 of the Original Sublease is hereby amended to read as follows:

"Base Rent. Beginning on the Commencement Date of the Third Amendment to the Sublease, January 1, 2006, Base Rent shall be Two Hundred Sixty-Four and 70/100 Dollars (\$264.70) per month. Base Rent shall be paid to the Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Rent for such fractional month shall be prorated based on a thirty (30) day month."

4. Terms and Conditions of Original Sublease Remain in Force and Effect.

Except as specifically amended hereby, the terms and conditions of the Original Sublease, as amended by this Third Amendment, shall remain in full force and effect.

5. Counterparts. This Third Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Sublandlord and Subtenant have executed this Third Amendment in duplicate as of the date first written above.

SUBTENANT:

Davis & Associates, dba San Francisco City Store
a California nonprofit public benefit corporation

By

Name: _____

Its: _____

SUBLANDLORD:

THE TREASURE ISLAND DEVELOPMENT
AUTHORITY

By:

Joanne Sakai

Interim Executive Director

Approved as to Form:

DENNIS J. HERRERA
City Attorney

By:

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Meeting of January 11, 2005
Agenda Item No .8(d)

Subject: Resolution Authorizing the Executive Director to Amend the Sublease With Mr. Rex Liu for the Use and Operation of the Photo Booth, Retroactive to January 1, 2006, to Extend the Term on a Month- to- Month Basis Up To December 31, 2006 and Increase the Rent By 3% T0 \$515.00 Per Month Beginning January 1, 2006 (*Action Item*)

Contact/Phone: Marc McDonald, Facilities Director
274-0660

BACKGROUND

On October 15, 1999, the Executive Director entered into a month-to-month sublease with Mr. Liu for the use of the Photo Booth (located near the front entrance to the Island) as a retail shop for film, cameras, picture taking, and souvenirs. Monthly rent for the facility was set at \$500.00. On April 12, 2000, April 11, 2001, and April 10, 2002 the Authority approved separate resolutions, each extending the term of the sublease for an additional twelve months. On April 9, 2003, the Authority approved the First Amendment to the sublease extending the term for an additional 12 months and requiring Mr. Liu to provide quarterly reports of gross revenues earned from the Premises.

Mr. Liu submitted the quarterly reports of gross revenues as requested, and on April 14, 2004 a second amendment to the sublease was approved by the Authority, extending the current term through December 31, 2005. If the resolution is approved by the Authority, the sublease will continue on a month-to-month basis expiring on December 31, 2006.

Currently the Base Rent for this sublease is \$500 per month. If the resolution is approved by the Board, the Base Rent for this sublease will be increased by 3% to \$515 per month.

Any additional amendments to the sublease to extend the term or change the Base Rent will be subject to the Authority's approval.

RECOMMENDATION

Staff recommends approval of an amendment to the sublease with Mr. Rex Liu to extend the term on a month-to-month basis through December 31, 2006 and to increase the rent by 3% to \$515 per month.

EXHIBITS

A. Third Amendment to Sublease

1 [Continuation of Month-to-Month Sublease for the Photo Booth]

2 **RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE**
3 **SUBLEASE WITH MR. REX LIU FOR THE USE AND OPERATION OF THE PHOTO**
4 **BOOTH, RETROACTIVE TO JANUARY 1, 2006, TO EXTEND THE TERM ON A MONTH-**
5 **TO-MONTH BASIS UP TO DECEMBER 31, 2006 AND INCREASE THE RENT BY 3% TO**
6 **\$515.00 PER MONTH BEGINNING JANUARY 1, 2006.**

7
8 **WHEREAS,** Former Naval Station Treasure Island is a military base located on Treasure Island
9 and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of
America ("the Federal Government"); and,

10
11 **WHEREAS,** The Base was selected for closure and disposition by the Base Realignment and
12 Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

13 **WHEREAS,** On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
14 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
15 corporation known as the Treasure Island Development Authority (the "Authority") to act as a single
16 entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of
17 the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City
and County of San Francisco; and,

18
19 **WHEREAS,** Under the Treasure Island Conversion Act of 1997, which amended Section
20 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes
21 of 1968 (the "Act"), the California Legislature (i) designated the Authority as a redevelopment agency
22 under the California Redevelopment Law with authority over the Base upon approval of the City's
23 Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands
24 Trust, vested in the Authority the authority to administer the public trust for commerce, navigation and
fisheries as to such property; and

25 **WHEREAS,** The Tidelands Trust prohibits the sale of trust property into private ownership,
generally requires that Tidelands Trust property be accessible to the public and encourages public-

oriented uses of Tidelands Trust property that, among other things, attract people to the waterfront, promote public recreation, protect habitat and preserve open space; and

WHEREAS, According to the Sections 10 and 12 of the Authority's Rules and Procedures for Transfer of Real Property, adopted March 11, 1998, the Executive Director may enter into month-to-month or shorter term leases, licenses or subleases for a cumulative term of no more than six months without competitive bidding or the separate approval of the Authority; and,

WHEREAS, the Photo Booth is an amenity to Treasure Island, tourists, and visitors; and,

WHEREAS, On October 15, 1999, the Executive Director entered into a month-to-month sublease with Mr. Rex Liu for use of the Photo as a retail shop for film, camera, picture-taking, and souvenirs at \$500 per month as the base rent; and,

WHEREAS, On April 12, 2000, April 11, 2001 and April 10, 2002 the Authority approved separate resolutions, each extending the term of the sublease for an additional twelve months; and,

WHEREAS, On April 9, 2003 the Authority approved the 1st Sublease with Mr. Liu, extending the term of the Sublease on a month-to-month basis until April 15, 2004, provided that Mr. Liu provide quarterly reports of all gross revenues earned from the Premises, which he did; and,

WHEREAS, On April 11, 2004 the Authority approved the 2nd Amendment to the Sublease with Mr. Liu, extending the term of the sublease on a month-to-month basis until December 31, 2005; and

WHEREAS, Mr. Liu wishes to continue to use the Photo Booth and Authority staff recommend amending the Sublease to extend the term, retroactive to January 1, 2006, on a month-to-month basis not to exceed December 31, 2006 and to increase the base rent to an amount of Five Hundred Fifteen Dollars per month; now therefore be it

RESOLVED, That the Authority hereby authorizes the Executive Director to execute an amendment to the sublease retroactive to January 1, 2006 and in substantially the form attached hereto

1 as Exhibit A to continue the term of the sublease on a month-to-month basis not to exceed December
2 31, 2006 and to increase the Base Rent to an amount of Five Hundred Fifteen Dollars per month..

3
4
5 **CERTIFICATE OF SECRETARY**

6 *I hereby certify that I am the duly elected and acting secretary of the Treasure*
7 *Island Development Authority, a California nonprofit public benefit corporation, and*
8 *that the above Resolution was duly adopted and approved by the Board of Directors of*
9 *the Authority at the Properly noticed meeting on January 11, 2006.*

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12 Susan Po-Rufino, Secretary
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RECYCLED PAPER MADE FROM 20% POST CONSUMER CONTENT

**THIRD AMENDMENT TO
SUBLEASE
between
THE TREASURE ISLAND DEVELOPMENT AUTHORITY
as Sublandlord**

and

**Rex Liu, a sole proprietor,
as Subtenant**

**For the Sublease of
The Photo Booth at Naval Station Treasure Island
San Francisco, California**

January 1, 2006

**THIRD AMENDMENT TO
TREASURE ISLAND SUBLEASE**

THIS THIRD AMENDMENT TO SUBLEASE (the "Third Amendment"), dated as of January 1, 2006, is entered into by and between the Treasure Island Development Authority ("Sublandlord") and Rex Liu, a sole proprietor ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

- A. On October 15, 1999, the Executive Director entered into a month-to-month sublease with Mr. Rex Liu for use of the Photo as a retail shop for film, camera, picture-taking, and souvenirs at \$500 per month as the base rent. Said sublease, as amended from time to time as described herein below, is collectively referred to as the "Sublease."
- B. On April 12, 2000, April 11, 2001, and April 10, 2002 the Authority approved continuation of the sublease on a month-to-month basis for an additional twelve months.
- C. On April 15, 2003, the Authority approved the 1st Amendment to the Sublease with Mr. Liu, extending the term of the Sublease on a month-to-month basis until April 15, 2004, provided that Subtenant provide Sublandlord with quarterly reports of all gross revenues earned from the Premises.
- D. On April 14, 2004, the Authority approved the 2nd Amendment to the Sublease with Mr. Liu, extending the term of the Sublease on a month-to-month basis until December 31, 2005.
- E. Mr. Liu wishes to again extend the term of the Sublease, and Authority staff recommend extending the Sublease on a month-to-month basis not to exceed December 31, 2006.

NOW THEREFORE, Sublandlord and Subtenant agree to amend the Sublease as follows:

1. Section 3.1 of the Sublease is hereby amended in its entirety to read as follows:

"3.1 **Term of Sublease.** The term of this Sublease (the "Term") shall be on a month-to month basis not to exceed December 31, 2006.

2. Section 4.1 of the Sublease is hereby amended to read as follows:

"4.1 **Base Rent.** Throughout the term, beginning on the Commencement Date January 1, 2006, Subtenant shall pay to Sublandlord ~~Five Hundred Dollars (\$500.00)~~ Five Hundred and Fifteen Dollars (\$515.00) per month (the "Base Rent"). Base Rent shall be paid to the Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof

or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Rent for such fractional month shall prorated based on a thirty (30) day month.

3. Except as expressly modified herein, all other terms, conditions, and covenants of the Sublease, including without limitation, the amount of the monthly rent to be paid hereunder (as modified by previous amendments to the Sublease), shall remain in full force and effect.

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Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

Rex Liu, a sole proprietor

By: _____
Rex Liu

SUBLANDLORD:

The Treasure Island Development Authority

By: _____
Its: Executive Director

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By _____
Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 8(e)

Meeting of January 11, 2006

Subject: Authorizing The Executive Director To Amend The Sublease With Island Creative Management Inc. For Building 2 to Retroactively Extend The Term up to December 31, 2006 And to Increase The Rent By 3% To \$19,058.34 Per Month Per Month (*Action Item*)

Contact/Phone: Marc McDonald, Facilities Manager
274-0660

SUMMARY OF PROPOSED ACTION

This item seeks the approval of the Authority to enter into the Third Amendment to the interim sublease with Island Creative for use of Hanger 2 to retroactively extend the term up to December 31, 2006 and to increase the rent by 3% to \$19,058.34 per month.

BACKGROUND

On September 1, 1999, the Authority executed a sublease with Island Creative Management (Island Creative) to use Building 99 to build sets for television, film production, and special events. On December 31, 2002, the Authority executed a new sublease with Island Creative that involved relocation of Island Creative operations to Building 2, one of the historic hangars on Treasure Island. The relocation provided Island Creative additional space for their operation and allowed the Navy to conduct environmental remediation activities in Building 99, where Island Creative was located. The term of the Building 2 sublease was for 12 months and rent was set at \$18,000 per month. On May 12, 2004 the Authority Board of Directors authorized an additional extension of the sublease to December 31, 2004. On December 8, 2004(?) the Authority Board of Directors authorized an additional extension of the sublease to December 31, 2005(?).

Island Creative has indicated a desire to continue subleasing Building 2 and staff is seeking Authority approval to execute a Third Amendment retroactively extending the term of the sublease through December 31, 2006.

In accord with staff practice of reviewing rental rates upon renewal, staff determined that for All Urban Consumers in the San Francisco – Oakland – San Jose Standard Metropolitan Statistical Areas during the period October 2004 to October 2005 the Consumer Price Index increased by approximately 3%. As a result, TIDA staff recommends that the rental rate for Building 2 be increased by 3% from \$0.134 psf per month to \$0.137 psf per month or from \$18,540.00 per month to \$19,058.34 per month.

As of January 1, 2006 with the 3% increased rental rate, the rent for the facility will be \$19,058.34 per month. All other terms and conditions of the Sublease remain the same.

RECOMMENDATION

Staff recommends approval of the resolution authorizing the Executive Director to execute the Third Amendment to the Sublease for Building 2 with Island Creative Management.

EXHIBITS

- A Third Amendment to Sublease Between Island Creative Management and TIDA

1 [Authorizing Third Amendment to Sublease with Island Creative Management, Inc. for Building
2 2]

3 **Authorizing The Executive Director To Amend The Sublease With Island Creative**
4 **Management Inc. For Building 2 to Retroactively Extend The Term up to December 31,**
5 **2006 And to Increase The Rent By 3% To \$19,058.34 Per Month Per Month.**

6 **WHEREAS**, On May 2, 1997, the Board of Supervisors (the "Board") passed
7 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
8 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
9 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
10 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
11 the public interest, convenience, welfare and common benefit of the inhabitants of the City
12 and County of San Francisco; and,

13 **WHEREAS**, Under the Treasure Island Conversion Act of 1997, which amended
14 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
15 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority
16 as a redevelopment agency under California redevelopment law with authority over the Base
17 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
18 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
19 administer the public trust for commerce, navigation and fisheries as to such property; and,

20 **WHEREAS**, The Tidelands Trust prohibits the sale of trust property into private
21 ownership, generally requires that Tidelands Trust property be accessible to the public and
22 encourages public-oriented uses of trust property that, among other things, attract people to
23 the waterfront, promote public recreation, protect habitat and preserve open space; and,
24
25

1 **WHEREAS**, In order to facilitate productive reuse of the Base, it may be beneficial for
2 the Authority to lease or license property from the Navy and, in turn, sublease or sublicense
3 such property to third-parties or use such property for municipal purposes; and,

4 **WHEREAS**, On September 1, 1999, the Authority's Executive Director entered into a
5 month-to-month sublease (the "Original Sublease") with Island Creative Management Inc.
6 ("Subtenant") for the use of a portion of Building 99 (the "Initial Premises") for the building of
7 sets used in television and film production; and,

8 **WHEREAS**, The Navy informed the Authority that environmental remediation activities
9 needed to be conducted in and near Building 99 and it was desirable to have that facility
10 unoccupied at the time those activities were scheduled to occur, and on December 31, 2002
11 the Authority and Subtenant entered into a new sublease for Building 2; and,

12 **WHEREAS**, On May 12, 2004 the Authority Board of Directors authorized extending
13 the term of the sublease for Building 2 to December 31, 2004; and,

14 **WHEREAS**, On December 8, 2004 the Authority Board of Directors authorized
15 extending the term of the sublease for Building 2 to December 31, 2005; and,

16 **WHEREAS**, Island Creative Management has expressed a desire to continue
17 operations in Building 2, and Authority staff recommend such an extension at a 3% increase
18 in the monthly rental rate to \$19,058.34 per month; now therefore be it

19 **RESOLVED**, That the Board of Directors hereby authorizes the Executive Director to
20 execute a Third Amendment to the Sublease with Island Creative Management for use of
21 Building 2 in substantially the form attached as Exhibit A to retroactively extend the term up to
22 December 31, 2006 and increase the monthly rental rate by 3% to \$19,058.34 per month
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1 provided that nothing herein shall limit the Authority's ability to terminate the Sublease on
2 thirty days notice as provided in the Sublease.;

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4
5
6 **CERTIFICATE OF SECRETARY**
7

8 I hereby certify that I am the duly elected and acting Secretary of the Treasure
9 Island Development Authority, a California nonprofit public benefit corporation, and
10 that the above Resolution was duly adopted and approved by the Board of Directors
11 of the Authority at a properly noticed meeting on January 11, 2006.
12

13 _____
14 Susan Po-Rufino,
15 Secretary
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THIRD AMENDMENT TO SUBLEASE

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

ISLAND CREATIVE MANAGEMENT LLC

as Subtenant

For the Sublease of

**Building 2 at Naval Station Treasure Island
San Francisco, California**

January 1, 2006

THIRD AMENDMENT TO TREASURE ISLAND SUBLEASE

THIS THIRD AMENDMENT TO SUBLEASE (the "Third Amendment"), 1st day of January 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and Island Creative Management, a Limited Liability Corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

A. On December 30 2002, the Parties entered into that certain Sublease (the "Sublease") whereby Sublandlord subleased to Subtenant Building 2, together with a non-exclusive right to use certain parking areas adjacent thereto, all as more particularly shown on the map attached to the Sublease as Exhibit B (the "Premises").

B. On May 12, 2004, the Parties amended the Sublease (the "First Amendment") by extending the term of thereof up to December 31, 2004 on the same terms and conditions contained in the Sublease and on December 8, 2004, the Parties amended the First Amendment by extending the term of thereof up to December 31, 2005 on the same terms and conditions contained in the Sublease. The Sublease, the First Amendment and the Second Amendment are collectively referred to herein as the "Original Sublease."

C. On January 11, 2006, the Authority's Board of Directors authorized the Executive Director to retroactively enter into this Third Amendment.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Paragraph 3.1 of the Original Sublease is hereby amended to read as follows:

"Term of Sublease. The term of this Sublease (the "Term") shall commence on December 31, 2002 (the "Commencement Date") and continue on a month-to-month basis not to exceed December 31, 2006. Either Party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other Party. Subtenant hereby acknowledges that the underlying Master Lease with the Navy currently is scheduled to terminate on December 1, 2006, and that Sublandlord anticipates but cannot guarantee that the Navy will extend the term of such Master Lease beyond the date of December 1, 2006. In the event that the Navy refuses to extend the term of the Master Lease, Subtenant agrees that this Sublease shall terminate upon the termination of the Master Lease.

2. Paragraph 4.1 of the Original Sublease is hereby amended to read as follows:

"Base Rent. Beginning on January 1, 2006, Base Rent shall be Nineteen Thousand Fifty-Eight and 34/100 Dollars (\$19,058.34) per month. Base Rent shall be paid to the Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in

advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall prorated based on a thirty (30) day month."

3. Except as expressly amended in this Amendment, all other terms and conditions of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Amendment in triplicate as of the date first written above.

SUBTENANT:

**Island Creative Management,
a Limited Liability Corporation**

By: _____

Its: _____

SUBLANDLORD:

Treasure Island Development Authority

By: _____

Its: _____

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By _____
Deputy City Attorney



TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
BLDG ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

TREASURE ISLAND DEVELOPEMNT AUTHORITY
City and County of San Francisco

Agenda Item No. 8(f)

January 11, 2006

Subject: Resolution Authorizing the Executive Director to Extend the Use Permit with the San Francisco Museum and Historical Society for Use of a Portion of Building 449 for an Additional One Year Term Up To January 14, 2007

Staff Contact: Peter Summerville, 274-0660

SUMMARY OF PROPOSED ACTION

Authorizing the Executive Director to adopt a resolution to extend the Use Permit with the San Francisco Museum and Historical Society (SFMHS) for the use of a portion of Building 449 for one year with a term set to expire January 14, 2007

DISCUSSION

The Use Permit allows for use of a portion of Building 449 by the San Francisco Museum and Historical Society for storage of items and artifacts as well as basic inventory and cataloging activities that may arise. The portion of Building 449 used by the SFMHS is licensed to TIDA by the United States Navy. The Navy retains full use of the rest of Building 449, and there is a secure separation between SFMHS items and Navy items in the building.

Prior to the start of the Use Permit, SFMHS kept items stored in Building 449 through an informal arrangement with the United States Navy. At the request of the Navy, half of Building 449 was licensed to TIDA in order to allow TIDA to grant SFMHS a Use Permit. The purpose of this was in order to provide secure separation between SFMHS items and Navy items in the building. The Use Permit is on a no-cost basis.

The Use Permit was originally executed on July 16th, 2003, and the Board approved separate one year extensions of the Use Permit at its February 11th, 2004 and January 12, 2005 meetings. The extension currently before the Board would extend the term of the use permit through January 14, 2007.

RECOMMENDATION

Staff recommends approving the resolution and granting a one year extension to the Use Permit with SFMHS for use of a portion of Building 449.

EXHIBITS

- A. Third Extension to Use Permit between TIDA and the San Francisco Museum and Historical Society

1 [Extending the Use Permit with SF Museum and Historical Society]

2 AUTHORIZING THE EXECUTIVE DIRECTOR TO EXTEND THE USE PERMIT WITH THE
3 SAN FRANCISCO MUSEUM AND HISTORICAL SOCIETY FOR USE OF A PORTION OF
4 BUILDING 449 FOR AN ADDITIONAL ONE YEAR TERM UP TO JANUARY 14, 2007.
5

6 WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure
7 Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United
8 States of America ("the Federal Government"); and,

9 WHEREAS, The Base was selected for closure and disposition by the Base Realignment and
10 Closure Commission in 1993, acting under Public Law 101-510, and its subsequent
11 amendments; and,

12 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
13 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
14 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
15 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
16 conversion of the Base for the public interest, convenience, welfare and common benefit of
17 the inhabitants of the City and County of San Francisco; and,

18 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section
19 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of
20 the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority as a
21 redevelopment agency under the California Redevelopment Law with authority over the Base
22 upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the
23 Base which are subject to Tidelands Trust, vested in the Authority the authority to administer
24 the public trust for commerce, navigation and fisheries as to such property; and
25

1 WHEREAS, The Tidelands Trust prohibits the sale of trust property into private ownership
2 generally requires that Tidelands Trust property be accessible to the public and encourages
3 public-oriented uses of Tidelands Trust property that, among other things, attract people to the
4 waterfront, promote public recreation, protect habitat and preserve open space; and

5 WHEREAS, Acting under Sections 10 and 12 of the Authority's Rules and Procedures for
6 Transfer of Real Property, adopted March 11, 1998, on July 16, 2003 the Executive Director
7 entered into a month-to-month Use Permit with the San Francisco Museum and Historical
8 Society (SFMHS) for use of a portion of Building 449 for a cumulative term of no more than six
9 months; and

10 WHEREAS, The Board approved a one year extension of the Use Permit at its regular
11 meeting on February 11, 2004, and again at its regular meeting on January 12, 2005; and

12 WHEREAS, The term of the original extension is set to expire on January 14, 2006 and the
13 San Francisco Museum and Historical Society wishes to extend the Use Permit for a portion
14 of Building 449 until January 14, 2007 for storage and inventory purposes; now therefore be it

15
16 RESOLVED, That the Authority hereby authorizes the Executive Director to Extend the Use
17 Permit with the San Francisco Museum and Historical Society for Use of a Portion of Building
18 449 for an Additional One Year Term set to expire January 14, 2007.
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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at the Properly noticed meeting on January 11, 2006.

Susan Po-Rufino, Secretary

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THIRD EXTENSION TO

USE PERMIT

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

and

THE SAN FRANCISCO MUSEUM AND HISTORICAL SOCIETY

For the Use of

**Portions of Building 449 at
Naval Station Treasure Island
San Francisco, California**

January 14, 2006

**THIRD EXTENSION TO
TREASURE ISLAND USE PERMIT**

THIS EXTENSION TO USE PERMIT (the "Extension"), dated as of January 14, 2006, is entered into by and between the Treasure Island Development Authority ("Authority") and the San Francisco Museum and Historical Society ("Permittee"). From time to time, Authority and Permittee together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

- A. On or about July 16, 2003, Authority and Permittee entered into that certain Use Permit agreement (hereafter, the "Permit") for the use of portions of Building 449 on Naval Station Treasure Island, all as shown on Exhibit B of the Permit.
- B. On February 11, 2004, Parties entered into an Extension of the Permit to continue use on a month-to-month basis for an additional twelve months, retroactively from January 14, 2004 and expiring on January 14, 2005, then on January 12, 2005 Parties entered into a Second Extension of the Permit to continue use on a month-to-month basis for an additional twelve months, from January 14, 2005 and expiring on January 14, 2006.
- C. The Parties wish to enter into a Third Extension of the Permit to continue use on a month-to-month basis for an additional twelve months, from January 14, 2006 and to expire on January 14, 2007.

NOW THEREFORE, Sublandlord and Subtenant agree as follows:

1. Paragraph 9 of the Permit is hereby amended to extend the Permit for an additional one year, commencing January 14, 2006 and terminating on January 14, 2007.
2. The original terms of the Permit are to remain constant through out the term of this extension.

Authority and Permittee have executed this Extension in triplicate as of the date first written above.

PERMITEE:
**SAN FRANCISCO MUSEUM AND
HISTORICAL SOCIETY**

By: _____

Name:

Its: San Francisco Museum and Historical Society

AUTHORITY:

The Treasure Island Development Authority

Approved as to Form:
DENNIS J. HERRERA, City Attorney

By: _____
Deputy City Attorney

TREASURE ISLAND DEVELOPMENT AUTHORITY
City and County of San Francisco

Agenda Item No. 8(g)

January 11, 2006

Subject: Authorizing the Executive Director to Retroactively Amend the Sublease for Building 1, Room 21 with the San Francisco Department of Aging and Adult Services to Extend the Term Through December 31, 2006, Terminable by Either Party on 30-days Written Notice, and Rent at \$500.00 per Month Payable on an Annual Basis. (Action Item)

Staff Contact: Joanne Sakai, Interim Executive Director
Marc McDonald, Facilities Manager
(415) 274-0660

SUMMARY OF PROPOSED ACTION

Staff requests authorization to enter into a Fourth Amendment with the Department of Aging & Adult Services of the City and County of San Francisco ("DAAS") to extend the term for eighteen months to expire on December 31, 2006 and to accept Rent on an annual basis for use of Room 21 in Building 1 as storage space.

DISCUSSION

The Executive Director first entered into the Sublease with the DAAS in August 2001 for a six-month term. Under the Authority's Rules and Procedures for the transfer of Real Property, continuation of the sublease on a month-to-month basis for a twelve month period requires Authority approval. The Authority has since approved three separate amendments to extend the term, the First on February 13, 2002 extending the term for 12 months and the Second on March 12, 2003 extending the term through June 30, 2004 and the third on June 9, 2004, extending the term through December 31, 2005.

The sublease provides for use of a small room in Building 1 by the Department of Aging and Adult Services. The space is used for storage of personal property of conservators and estates, generally consisting of files and paper goods, books, and personal mementos, and for no other purpose. Room 21 is approximately 500 square feet and is located in the basement of Building 1.

Under the Sublease, Rent is to be collected on the First day of each month, however, DAAS work orders the total rental payments of \$6,000 on an annual basis. This Fourth Amendment requests authorization to extend the term through December 31, 2006 and approve rent payment at \$500 per month payable on an annual basis.

RECOMMENDATION

Staff recommends approval of the resolution authorizing the Executive Director to continue the sublease with the Department of Aging & Adult Services to extend the term on a month-to-month through December 31, 2006 and to accept Rent payments on an annual basis.

EXHIBITS

- A Fourth Amendment to Sublease with Department of Aging and Adult Services

1 [Amending the Sublease of Building 1, Room 21]

2 **Authorizing the Executive Director to Retroactively Amend the Sublease for Building**
3 **1, Room 21 with the San Francisco Department of Aging and Adult Services to Extend**
4 **the Term Through December 31, 2006, Terminable by Either Party on 30-days Written**
5 **Notice, and Rent at \$500.00 per Month Payable on an Annual Basis.**
6

7 **WHEREAS**, Under the Treasure Island Conversion Act of 1997, which amended
8 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to
9 Chapter 1333 of the Statutes of 1968 (the Act"), the California Legislature (i) designated the
10 Authority as a redevelopment agency under California redevelopment law with authority
11 over former Naval Station Treasure Island (the "Base"), and (ii), with respect to those
12 portions of the Base which are subject to the public trust for commerce, navigation and
13 fisheries, (the "Tidelands Trust"), vested in the Authority the authority to administer the
14 Tidelands Trust as to such property; and
15

16 **WHEREAS**, The Tidelands Trust prohibits the sale of Tidelands Trust property into
17 private ownership, generally requires that Tideland Trust property be accessible to the
18 public and encourages public oriented uses of trust property that among other things,
19 attract people to the waterfront, promote public recreation, protect habitat and preserve
20 open space; and,
21

22 **WHEREAS**, The Board of Supervisors approved the designation of the Authority as
23 a redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated
24 February 6, 1998; and
25

1
2 **WHEREAS**, On August 9, 2001, the Authority's Executive Director, acting under
3 Section 10 of the Authority's Rules and Procedures for the Transfer and Use of Real
4 Property, adopted by the Authority on March 11, 1998 (the "Transfer Rules"), entered into a
5 month-to-month sublease (the "Sublease") attached as Exhibit A, with the City and County
6 of San Francisco acting by and through its Department of Real Estate on behalf of the San
7 Francisco Department of Aging and Adult Services ("Subtenant") for the use of Room 21
8 located in Building 1 (the "Initial Premises") for storage space at a rental rate of Five
9 Hundred Dollars (\$500.00) per month; and
10

11 **WHEREAS**, Under Section 10 of the Transfer Rules, even a month-to-month
12 sublease has to be separately approved by the Authority if the cumulative term of such
13 sublease exceeds six months and the six month term has expired; and
14

15 **WHEREAS**, On February 13, 2002, the Authority approved the First Amendment to
16 extend the term of the Sublease through January 31, 2003; and
17

18 **WHEREAS**, On March 12, 2003, the Authority approved the Second Amendment to
19 extend the term of the Sublease through June 30, 2004; and,
20

21 **WHEREAS**, On June 6, 2004, the Authority approved the Third Amendment to extend
22 the term of the Sublease through December 31, 2005; and,
23

24 **WHEREAS**, Subtenant wishes to continue to occupy the Premises under the
25 Sublease up to December 31, 2006, terminable by either party on 30-days written notice
with rent at \$500.00 per month payable annually; now therefore be it

1 **RESOLVED:** That the Board of Directors hereby approves and authorizes an
2 amendment to the Sublease with the City and County of San Francisco acting by and
3 through its Department of Real Estate on behalf of the San Francisco Department of Aging
4 and Adult Services to extend the term of the Sublease to December 31, 2006, terminable
5 by either party on 30-days written notice, with rent at \$500.00 per month payable on an
6 annual basis.

7 **FURTHER RESOLVED,** That the Executive Director is hereby authorized to execute
8 an amendment to the Sublease in substantially the form attached as Exhibit B.
9

10
11 **CERTIFICATE OF SECRETARY**

12 **I hereby certify that I am the duly elected and acting Secretary of the**
13 **Treasure Island Development Authority, a California nonprofit public benefit**
14 **corporation, and that the above Resolution was duly adopted and approved by the**
15 **Board of Directors of the Authority at a properly noticed meeting on January 11,**
16 **2006.**

17
18
19 _____
20 **Susan Po-Rufino, Secretary**
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**FOURTH AMENDMENT TO
INTERIM SUBLEASE**

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

CITY AND COUNTY OF SAN FRANCISCO

as Subtenant

For the Sublease of

**Building 1, Room 21 at
Naval Station Treasure Island
San Francisco, California**

January 1, 2006

FOURTH AMENDMENT TO TREASURE ISLAND SUBLEASE

THIS FOURTH AMENDMENT TO SUBLEASE (the "Amendment"), dated as of this 1st day of January, 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and City and County of San Francisco acting by and through its Director of Property on behalf of the Department on Aging and Adult Services ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

Recitals

A. On August 1, 2001, Sublandlord and Subtenant entered into that certain Interim Sublease dated August 1, 2001 (the "Sublease") under which Sublandlord sublet to Subtenant Room 21 in Building 1 (as depicted on Exhibit C, attached and hereafter referred to as the "Premises") on Treasure Island for storage purposes.

B. The Parties wish to amend the Sublease to extend the term to December 31, 2006, terminable on 30-days written notice, and to modify the rent to allow payment on an annual basis.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Paragraph 3.1 of the Sublease is hereby amended to read as follows:

"Term of Sublease. The term of this Sublease shall commence on January 1, 2006 (the "Commencement Date") and expiring on December 31, 2006 (the "Expiration Date"), subject to Section 3.2 below or unless sooner terminated or extended pursuant to the terms of the Sublease. Either party may terminate this Sublease prior to the Expiration Date and without cause by giving the other party 30-days written notice of termination.

2. Paragraph 4.1 of the Sublease is hereby amended to read as follows:

"Base Rent. Throughout the remainder of the Term, beginning on the date of this Amendment, Subtenant shall pay to Sublandlord Five Hundred Dollars (\$500.00) (the "Base Rent") per month. Base Rent shall be paid to the Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on an annual basis at the rate of Six Thousand Dollars (\$6,000.00) per year on or before the sixtieth (60th) day following the first day of Subtenant's fiscal year, in advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof or such other place as Sublandlord may designate in writing. If necessary, Rent shall be prorated based on a thirty (30) day month."

3. Except as otherwise expressly amended herein, all other terms and conditions of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Sublease in triplicate as of the date first written above.

SUBTENANT:

CITY AND COUNTY OF SAN FRANCISCO,
A municipal corporation

By: _____

Its: Director of property

SUBLANDLORD:

TREASURE ISLAND DEVELOPMENT
AUTHORITY

By: _____

Joanne Sakai

Its: Interim Executive Director

Approved as to Form:

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 8 (h)

January 11, 2006

Subject: Resolution Authorizing the Executive Director to Enter into the Fifth Amendment for the Sublease with San Francisco Little League to Retroactively Extend Use of The Little League Ball Field for an Additional Term through December 31, 2006. (Action Item)

Contact Person/Phone: Joanne Sakai, Interim Executive Director
Marc McDonald, Facilities Manger
(415) 274-0660

SUMMARY OF PROPOSED ACTION:

Staff requests authorization to enter into a Fifth Amendment with the San Francisco Little League to retroactively extend the term to expire on December 31, 2006 for the seasonal use of the Little League Ball Field located at Avenue N and Fourth Street on Treasure Island.

BACKGROUND:

In January 2000, the Authority authorized the Executive Director to execute a sublease with the San Francisco Little League (SFLL) for the use of the Little League Ball Field located at 5th Street and Avenue N on Treasure Island. The Authority has since approved four separate amendments, the First on February 14, 2001, the Second on March 14, 2002, the Third on August 13, 2003 and the Fourth on April 14, 2004. This resolution is for the Fifth Amendment and requests authorization to retroactively extend the term through December 31, 2006. The extension allows SFLL to continue to use the field as their home field for the Youth Baseball League season.

Under the terms of the original sublease, SFLL has been responsible for renovating the field to bring it to playable condition and has since provided the ongoing maintenance of the field. In exchange, SFLL receives preferential scheduling of the field and the Authority waives any rental fees. In addition, SFLL is required to make the field available for residents such as TIHDI, the Delancey Life Street Learning Academy, the Treasure Island Elementary School, and John Stewart residents. Providing use of the field to the SFLL meets one of the Authority's primary objectives during the period of interim management of former Naval Station Treasure Island of using the housing revenues to support programs that provide a substantial public benefit to the community of Treasure Island and the City and County of San Francisco.

RECOMMENDATION:

San Francisco Little League has continued to meet its obligation to maintain the field for all users throughout the entire year. Therefore, staff recommends approval to enter into

the Fifth Amendment with SFLL to extend the term retroactively from January 1, 2006 through December 31, 2006.

Exhibits:

A Fifth Amendment to Sublease.

1 [Sublease of Baseball Field to San Francisco Little League]

2 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE FIFTH
3 AMENDMENT TO THE SUBLEASE WITH THE SAN FRANCISCO LITTLE LEAGUE TO
4 RETROACTIVELY EXTEND THE TERM FOR USE OF THE LITTLE LEAGUE FIELD TO
5 DECEMBER 31, 2006.

6 WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed
7 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
8 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
9 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
10 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
11 the public interest, convenience, welfare and common benefit of the inhabitants of the City
12 and County of San Francisco; and,

13 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
14 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
15 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority
16 as a redevelopment agency under California redevelopment law with authority over the Base
17 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
18 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
19 administer the public trust for commerce, navigation and fisheries as to such property; and,

20 WHEREAS, The Tidelands Trust prohibits the sale of trust property into private
21 ownership, generally requires that Tidelands Trust property be accessible to the public and
22 encourages public-oriented uses of trust property that, among other things, attract people to
23 the waterfront, promote public recreation, protect habitat and preserve open space; and,

24 WHEREAS, In order to facilitate productive reuse and job creation on the Base, it may
25 be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease
or sublicense such property to third-parties or use such property for municipal purposes; and,

1 WHEREAS, At its December 8, 1999 meeting, the Authority approved a resolution
2 authorizing staff to execute a sublease ("Original Sublease") with the San Francisco Little
3 League ("Subtenant") for the use of a baseball field on Treasure Island (the "Premises"); and,

4 WHEREAS, The term of the Original Sublease was from January 1, 2000 to March 14,
5 2001; and,

6 WHEREAS, On February 14, 2001, the Authority approved the First Amendment to
7 extend the term of the Sublease through March 14, 2002; and

8 WHEREAS, On March 14, 2002, the Authority approved the Second Amendment to
9 extend the term of the Sublease through March 14, 2003; and,

10 WHEREAS, On August 13, 2003, the Authority approved a Third Amendment to extend
11 the term of the Sublease through March 14, 2004; and

12 WHEREAS, On April 14, 2004, the Authority approved a Fourth Amendment to extend
13 the term of the Sublease through December 31, 2005; and

14 WHEREAS, The Subtenant has requested an extension of the termination date to
15 December 31, 2006; and,

16 WHEREAS, Subtenant has acted in good faith to meet the obligations set forth in the
17 Original Sublease for renovations and access to the field for priority groups; Now, therefore,
18 be it

19 RESOLVED, That the Authority hereby approves and authorizes the Executive Director
20 to execute an amendment to the Original Sublease with Subtenant to retroactively extend the
21 term for to December 31, 2006.

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1 CERTIFICATE OF SECRETARY

2 *I hereby certify that I am the duly elected and acting Secretary of the Treasure Island*
3 *Development Authority, a California nonprofit public benefit corporation, and that the above*
4 *Resolution was duly adopted and approved by the Board of Directors of the Authority at a*
5 *properly noticed meeting on January 11, 2006.*
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9 _____
10 Susan Po Rofino, Secretary
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FIFTH AMENDMENT TO SUBLEASE
between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

THE SAN FRANCISCO LITTLE LEAGUE
a non-profit public benefit corporation
as Subtenant

For the Sublease of

The Little League Field
at Former Naval Station Treasure Island
San Francisco, California

**FIFTH AMENDMENT TO SUBLEASE
between**

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

**THE SAN FRANCISCO LITTLE LEAGUE
a non-profit public benefit corporation
as Subtenant**

For the Sublease of

**The Little League Field
at Former Naval Station Treasure Island
San Francisco, California**

FIFTH AMENDMENT TO TREASURE ISLAND SUBLEASE

THIS FIFTH AMENDMENT TO SUBLEASE (the "Fifth Amendment"), dated as of this 1st day of January 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and the San Francisco Little League ("Subtenant")

This Sublease is made with reference to the following facts and circumstances:

A. Subtenant and Sublandlord entered into that certain sublease, dated January 1, 2000, and four (4) subsequent amendments thereto (collectively, the "Sublease") for the use of the Little League Field located by the intersection of 4th Avenue and Avenue N on Treasure Island, as more particularly shown on the map attached to the Original Sublease as Exhibit B (the "Original Premises").

B. Subtenant and Sublandlord desire to amend the Sublease to extend the term.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Defined Terms. Capitalized terms not separately defined herein shall have the same meaning provided in the Original Sublease.

2. Term of Sublease. The Term described in Section 3.1 of the Sublease is hereby amended to terminate on December 31, 2006.

3. Terms and Conditions of Sublease Remain in Force and Effect. Except as specifically amended hereby, the terms and conditions of the Sublease, as amended by this Amendment, shall remain in full force and effect.

4. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Sublandlord and Subtenant have executed this Amendment as of the date first written above.

SUBTENANT:

SAN FRANCISCO LITTLE LEAGUE

By: _____

Its: _____

SUBLANDLORD:

**THE TREASURE ISLAND DEVELOPMENT
AUTHORITY**

By: _____

Joanne Sakai

Its: Interim Executive Director

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By: _____

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No: 9

Meeting Date: January 11, 2006

Subject: Presentation of Draft Transportation Plan (Discussion Item)

Staff Contact: Jack Sylvan, Office of Base Reuse and Development
Michael Cohen, Office of Base Reuse and Development

BACKGROUND

At the November 9, 2005 and December 14, 2005 Authority Board meetings Treasure Island Community Development, LLC (TICD) presented revised land use and open space plans and urban design concepts for Treasure Island. These plans included several elements responsive to the public objective of creating an environmentally sustainable development at Treasure Island. Many of these elements are also critical to creating a redevelopment project that can effectively and comprehensively address the transportation challenges presented by creating a new community and regional amenity in the middle of San Francisco bay, connected to the mainland by the Bay Bridge. These elements include:

- Locating a ferry terminal on the western side of the island and clustering commercial uses, the densest residential buildings and public plazas around a multi-modal transit hub thereby creating an island core and gateway on the western shore.
- Proposing an increased number of residential units in a range between 3,500 and 5,500 units as a means to provide the critical mass necessary to create a self-sufficient community that supports services and transit.
- Locating the increased residential uses on less land creating a more urban place while at the same time increasing the amount of open space in a more contiguous great park.
- Structuring the street orientation to maximize the opportunity for solar benefits and minimize the impact of wind on the spaces, creating attractive and pleasant walking and cycling corridors.

The Draft Transportation Plan (the "Plan"), attached as Exhibit A, is a preliminary effort to craft a comprehensive strategy for moving people and goods within, on and off of the island in a manner that maximizes non-auto trips. The Plan outlines high level goals and objectives, estimates travel trips associated with the development plan, proposes transit services and infrastructure, and provides the conceptual foundation for measures and systems to both ensure the viability of the project and maintain consistency with the commitment to creating an environmentally sustainable community.

This Plan will be presented to the Treasure Island/Yerba Buena Island Citizen's Advisory Board (TI/YBI CAB) at its January 10, 2006 meeting. As with all other elements of the planning for the redevelopment of Treasure Island, this Plan will be revised through the iterative public planning and review process and it is expected that a revised version of this document will be prepared to support the presentation of the Term Sheet to the TI/YBI CAB, TIDA Board and Board of Supervisors.

EXHIBITS

- A Draft Transportation Plan

Exhibit A

Will be available at the January 11, 2006

TIDA Board of Directors Meeting

TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND



Draft Minutes of Meeting
Treasure Island Development Authority
January 11, 2006

City Hall, Room 400
1 Carlton B. Goodlett Place
San Francisco, CA

DOCUMENTS DEPT.

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1. **Call to Order:** 1:35 PM

Roll Call Present: Susan Po-Rufino (Vice-Chair)
Jesse Blout
Jared Blumenfeld
John Elberling
Matthew Franklin
Marcia Rosen

Excused: Claudine Cheng (Chair)
Supervisor Chris Daly

2. **Report by Deputy Executive Director of the San Francisco Redevelopment Agency**
Ms. Joanne Sakai, San Francisco Redevelopment Agency, provided the monthly report.

- + Numerous events scheduled on the Island, including events for Make-a-Wish and the East Bay Leadership Foundation.
- + Staff is working with the Mayor's Office and the Job Corps on a job faire for the Island
- + Staff is working to sell the fleet Aviator and has finalized purchase of the Aviator from the leasing company
- + At the previous meeting President Cheng appointed members of the Board and staff to analyze the Controller's Audit results and make recommendations, this work is on-going.

3. **Report by the Mayor's Office of Base Reuse and Development**

Mr. Michael Cohen, Mayor's Office of Base Reuse and Development discussed issues surrounding the on and off-ramps to Yerba Buena Island. These ramps are owned by the United States Navy, not CalTrans. Known for years these ramps are substandard and need improvement. Good news is there is a conceptual agreement with the State that the ramps will become part of the State highway system once the Island is transferred by the Navy, this will

open up a variety of funding sources that are currently unavailable. There is a lot of work to do to determine transfer mechanisms, design solutions and the funding plan.

Mr. Jack Sylvan, Mayor's Office of Base Reuse and Development, reviewed the forward development schedule for items before the Board for the next six months. This is a fairly packed schedule for the next two to three months.

Director Rosen stated she is worried that the only time that all parts of the term sheet elements come together in an iterative nature is at the April meeting, asked if the Board should commit to two meetings in April in case more review and feedback is needed before submittal to the Board of Supervisors by June.

4. Communications

There was no discussion of any of the communications received by the Board

5. Report by the Treasure Island/Verba Buena Island Citizen Advisory Board

Ms. Karen Knowles-Pearce, CAB chair, stated the CAB reviewed the draft transportation plan at its previous meeting. Also reviewed the 6 month forward term sheet element review calendar just discussed by the Board. Stated that the members asked her to impart to the Board concern about the number of hours that they will have to volunteer each month in order to provide proper feedback to the TIDA Board as part of this proposed calendar

6. Ongoing Business by Directors

Director Blout mentioned an article regarding Treasure Island that ran in the Los Angeles Times on Monday and included pictures of Ruth Gravanis and Jack Sylvan. Stated it was a great article and requested that the Board receive copies of the article to read.

7. General Public Comment.

Ms. Ruth Gravanis requested that Board members speak into their microphones during the meeting so the audience can hear what is being said. Stated it is frustrating to see the materials packet at the Main Library missing documents regarding the term sheet elements in advance of the meeting.

Mr. Howard Strassner, The Sierra Club stated that the parking lot envisioned for the ferry terminal is not a great use for the location. Asked the Board to reconsider this land-use, stated it might be a good place for mixed-use instead.

8. Consent Agenda

Public Comment

Ms. Sherry Williams, TIHDI Executive Director, requested the Board pull the sublease with San Francisco Little League for further discussion. Currently there is confusion about the Island resident's usage of the fields when not in use by the Little League.

Director Blout requested removing Item 8(e) from the Consent Agenda as well

Director Rosen motioned for approval of remainder of the Consent Agenda.

Director Blout seconded the motion.

Items 8 a, b, c, d, f, g, on the Consent Agenda were approved unanimously.

8(e) Sublease with Island Creative Management

Director Blout stated he is generally interested in the way in which rent increases get decided, particularly for the historic hangars. Asked how the lease works in terms of market-rate increases.

Mr. Marc McDonald, TIDA Facilities Director, stated this was addressed in a Board meeting in 2004, where it was determined as a matter of policy that leases would be increased by 3% or CPI. With respect to Island Creative, it is a matter of practice to adjust by either the CPI or 3% each year.

Director Blout stated he has a general question to when the last time the Island lease rates were compared to market rate for the buildings. Asked if the rent for this building was market or if it would be possible to re-open the lease to bring it up to market. Stated he would like staff to consider a quick and dirty review of the facilities on the Island to determine lease rates comparable to market rate.

Director Rosen stated she would like to see this review done, but is not sure if there would be harm delaying this item until next month in order to allow staff to do due diligence in researching this issue. Understands that Island Creative needs a lease and wondered if this item could be held off until next month with the understanding that Island Creative will continue to occupy Building 2 with the Board's permission until the review is completed and the lease is approved.

Public Comment

Ms. Sherry Williams, TIHDI, stated that Island Creative is a wonderful partner on the Island; they contract with Toolworks and have recently entered into a hiring agreement with TIHDI as well as provide assistance with the Community Festival.

Director Po-Rufino motioned to continue the item to the February 2006 meeting

Director Blout seconded the motion

The motion to continue the item was approved unanimously

8(h) Sublease with San Francisco Little League

Mr. Marc McDonald, TIDA staff, requested that this item be continued to the February meeting so that staff can follow-up on this issue and hopefully be able to form a solution to this issue with all interested parties.

Director Rosen requested that staff review the lease to determine if there is language committing to community use of the field as a term of the lease.

Public Comment

Ms. Sherry Williams, TIHDI, thanked the Board for continuing the item.

Director Elberling motioned to continue the item to the February 2006 meeting

Director Franklin seconded the motion
The motion to continue the item was approved unanimously

9. Presentation of Draft Transportation Plan

Mr. Jack Sylvan, Mayor's Office of Base Reuse and Development, presented the draft Transportation Plan for redevelopment of Treasure Island. This is a product of planning by TICD, the Mayor's Office of Base Reuse, and input from the Transportation Authority staff, Water Transit Authority staff, MUNI and staff consultants Nelson-Nygard. This draft will be fleshed out in more detail over the next two to three years through a public planning process. This presentation was given to the CAB as well.

Mr. Paul Menaker, Lennar Communities, presented the draft Transportation Plan. This plan is part of a far-reaching process, and it presents principles and a road map for further implementation steps and needed input relative to the plan. The key to the land use plan is sustainability and a compact land use plan to allow for more open space, in terms of transportation a system for transit is envisioned to serve the needs of Island residents and visitors through an attractive level of transit service. Also need to provide for a way to discourage automobile use through various methods including travel demand management and a transit and parking district. First element of the plan is development of a transit-oriented neighborhood keyed around the transportation hub and dependent on ferry, bus and shuttle services. Ferry service is a key to transportation, and should be convenient and serve the entire region with ferry service planned for every 13 minutes. Possible East Bay water taxis are envisioned for the future, as well. Another key element is high quality bus connections from San Francisco and the East Bay, large numbers of people are expected to use the bus to get to and from the Island. A branded on-Island shuttle service is envisioned as well, with four shuttles servicing three different routes. An element for incentives is alternatives to private automobile transit, done through a transportation demand management program, which will include a full time transportation coordinator, a bicycle library program, a car share program, a guaranteed ride home program and ride sharing programs. The key to making this happen is transportation and parking district, which he feels could be established, to adjust parking and transit charges and operations on a real-time basis.

Mr. Menaker continued that discouraging automobile use on the Island is important. Three mechanisms which will be useful to control automobile use are congestion pricing, ramp metering and parking charges. Congestion pricing is a fee levied to enable people to come on and off the Island at certain times during the day. Residents leaving the Island during defined peak periods would be assessed a fee for doing so via automobile. Ramp metering controls automobile access to the Bay Bridge, this concept is used throughout the state. The parking plan was created to limit parking on the Island, one principle is everyone pays to park on the Island, the parking supply will be managed to affect overall usage and the pricing will be a mechanism to control parking. The key to the plan is collection of real time data and adjusting in reaction to that data. Monitoring of travel demand, use of transit and peak and off-peak transit will be monitored as part of the proposed parking and transit district. Provided some current examples of areas that have similar transit control mechanisms to those proposed on Treasure Island. The two major revenue sources are the congestion pricing fees and parking fees. The intent is for the transportation plan to be a balanced plan that pays for itself.

Director Blout asked if the specific pricing for congestion pricing had been considered. Also asked how the defined peak and off peak periods were arrived at, as often times congestion can be worse at times not considered "peak". Stated that the transit and parking district is an issue that needs more consideration. Asked about the work to date that has gone into considering water taxi service. Asked about the assumptions on the operating and revenue side, there is a high percentage of fare-box recovery assumed. Asked about the cost for bus service and if the assumptions are sufficient. Stated he is happy that the parking has been unbundled, stated his is concerned about the proposal to put parking in one of the historic hangars.

Mr. Menaker stated that unbundling parking is part of the plan, and the location of the parking in the hangar can be reviewed and revised.

Mr. Bill Burton, Korve Engineering, stated that for the bus service, all the fare box recovery ratios and operating expense assumptions are in line with buses currently on route from MUNI and were discussed with MUNI.

Mr. Menaker stated that the ferry service assumptions were discussed with the WTA and this plan is based upon their input and discussions, as well as with all the regional transit agencies. Stated that implementation studies will need to be done in order to turn these principles into reality.

Director Blout stated that these assumptions are significant pressure points for the overall financial modeling for the project. Stated that as much technical work and due diligence needs to be done at the term sheet stage.

Mr. Sylvan stated that some of this work has been done already, and staff will assure that other service providers will weigh in to make sure the assumptions are correct to this point.

Mr. Burton stated that the proposal for water taxis is to offer space at Pier 1 for a future private operator at a reasonable rate. There are many locations in the Bay that will not be served by the planned ferry service.

Mr. Menaker stated that the objective for the proposed parking and transit district is a mechanism to collect the monies that come from transportation fees, use those fees for on-Island uses, and to adjust fees for parking and congestion fees. This is one area where additional work needs to be done. The key is not strictly the establishment of a district but the fulfillment of the objectives stated.

Mr. Sylvan stated staff believes that the proposed transit and parking district is a possible method for allowing the necessary flexibility in order to implement the unique aspects of this plan.

Mr. Menaker stated that monitoring of traffic data and demand is what will dictate when that flexibility is to be used, and this needs to be looked at on a real-time basis.

Mr. Burton stated that at the end of the day the fee and pricing structure will be an iterative process and can be ratcheted one way or another in order to affect the modal split.

Director Blout asked if the price for congestion pricing would be the same for single occupancy vehicles versus carpools, asked if there is a way to affect this varied pricing.

Mr. Menaker stated this is a problematic issue and needs to be studied in more detail.

Director Rosen asked if the Board should listen to public comment first since there are many members of the public currently waiting.

Director Po-Rufino called for public comment on the item

Public Comment

Mr. Howard Strassner, The Sierra Club, asked if there were double charges to buy a condo and also buy a parking space. Stated the figures for pricing of the buses sounded high. Asked if ferry revenue included the subsidy from the WTA. Stated that MUNI gets the revenue from the parking meters, and if there is 108 service this matter needs to be considered. Stated he hopes that the Board takes into consideration reviewing public bus use versus public ferry use. Stated that if this plan calls for the people who park and drive to pay for public transit use and that the congestion pricing encourages people to carpool.

Mr. Dan Linenger, Director of the Treasure Island Sailing Center, stated that his concern is that limiting car usage too much discourages people from using their cars for opportunities such as bringing a boat to sail or a kayak to use in the Bay. Stated that water taxis and high speed ferries do not mix with sailing, and anything to limit these vessels in the sailing areas around the Island should be considered.

Ms. Ruth Gravanis stated she is pleased to see unbundled parking, the ferry service and no publicly subsidized parking. Stated that many aspects need a much more thorough look, the total number of parking spaces still seems way too high. The shuttle service does not contemplate visitors to the Island. Stated that the public benefit part of this plan needs more definition. Also the business of congestion pricing needs to be looked at more thoroughly, one principle should be the reduction of car ownership, and congestion pricing is not a good way to fund transit.

Director Rosen asked about the annual costs based on the current assumptions and what happens if these assumptions are off-base. Also asked if the water taxi suggestion is not in the revenue or cost assumptions, and if the assumption is that the water taxi service will pay for it self.

Mr. Menaker stated that the annual capitalized costs are based upon assumptions; the intent is to pay for services as identified through the revenues that come in. The water taxi is not in the plan on the revenue or cost side currently, this would be a self-sustaining part of the plan.

Director Rosen asked if revenues assume public sources or subsidies as well as fees from transit users and residents.

Mr. Menaker said the fare-box recovery is assumed, the difference is in the cost figures in terms of annual costs. The only place where no public subsidy was assumed is relative to the purchase

of ferry vessels. It is assumed that one ferry will be purchased outright with federal funds available for the remainder, for buses no other revenue sources are assumed.

Director Rosen asked if it was correct in that the key public policy feature is that the private use of cars subsidizes the public transit aspect of services. Also asked if the shuttle routes cover all the public places, not just residences and retail. Asked if the parking assumptions dependent on code drove the analysis and modal splits for the program overall.

Mr. Menaker stated that the public policy assumption was correct. Stated that in regards to the shuttle the three routes do not have a tail that goes into the 360 acres of open space, but it runs adjacent to the open space and this is something that can be reviewed.

Mr. Burton stated that the parking assumptions are not per code, some were developed using code requirements and some using other requirements. Most of the rates for retail space are fairly low. The number of spaces corresponds to the proposed program and desired market.

Director Rosen asked if an assumption was made for the amount of residents who would use cars versus other modal splits and if the assumption of high usage of transit such as that shown for the Marina district was used.

Mr. Burton stated the travel predictions were made based on the City-wide travel behavior survey and that information was modified for the unique characteristics to the site and to adjust for congestion pricing.

Mr. Menaker stated that less than 75% transit usage is assumed.

Director Elberling stated he is fundamentally unsatisfied with this plan. Asked that the Board be provided with copies of the technical appendix for review. Asked what the assumed fare per trip is for the ferry service.

Mr. Burton stated the assumed fare is three dollars per trip.

Director Elberling asked if the assumption is that transit riders will use their Fast Pass to get to and from the Island.

Mr. Burton stated the assumption accounts for Fast Pass usage and extra fares would not be charged on top of the regular fare.

Director Elberling asked if congestion pricing for cars would be as much as a ferry fare.

Mr. Burton stated that it would be.

Director Elberling stated this document needs to analyze the modal split and other options than a transportation hub. Asked why ferry usage compared to bus usage is projected to be dramatically different than what is the current norm in the Bay Area when comparing the two modes of transportation.

Mr. Menaker stated that the difference between Treasure Island and the example of Marin that was used is density and compaction. There is a disparity and that is why there is more bus usage from Marin to the City. Because the population base is close to the transportation hub, people will be able to walk to the hub to choose their transportation options.

Director Elberling asked why studies of analogous neighborhoods were not done in putting this plan together.

Mr. Menaker stated that due to various site-specific issues on the Island such as the Bay Bridge, there were not analogous areas to do comparisons.

Mr. Burton stated that there are features in this plan which can control people's decisions for methods of transportation.

Director Elberling stated that he has doubts about the assumption that many more people will use the ferry versus the bus. Asked if studies were done which assumed that the buses to the Island

would continue on with routes throughout the Island and not just stop at the transit hub. Stated that a full analysis should be done of both the transit hub option versus the standard bus route option. Stated that in regards to the shuttle system, he questions the assumption that a majority of the residents will be inclined to walk to the transit hub. Stated he cannot envision the shuttle system working with only one shuttle per route. Stated that real world scenarios should be presented which envision the actual transit user and how the transit system affects their getting around in everyday life, especially families.

Director Franklin stated there is a substantial amount of capital invested in the ferry terminal location. Asked for more information on assumptions and feasibility for the ferry terminal. Stated that Director Elberling's points about location of transit routes in relation to people's proximity to the CBD have merit and should be studied. Stated that more research should be put into the congestion pricing. The important thing is to have alternate choices, and on an Island setting the fee is triggered going anywhere, asked if this Island setting figures in differently into this scheme.

Mr. Menaker stated that the users in locations such as London are existing residents. On the Island most residents will be new residents and they'll know ahead of time what they are getting into in regards to congestion pricing when the move to the Island.

Director Franklin stated that thought should be given to any selection bias that may result, especially in terms of family housing.

Mr. Menaker stated that the plan is keyed to managing congestion on the Bay Bridge as well. There is an expected impact on the Bridge of approximately 5 percent increase in traffic based on projections.

Director Franklin stated the water taxi is an intriguing idea. Asked where the possibilities for water taxi come from.

Mr. Aidan Hughes, ARUP, stated there is a small private water taxi in Oakland from the marina to Jack London Square. New York and Vancouver have water taxis as well which have grown up from entrepreneurial enterprises. Can serve markets such as Oyster Point and the East Bay, would serve as an alternative to areas not currently served by proposed ferry service.

Director Franklin asked if the idea for congestion pricing is similar to FastTrak.

Mr. Hughes stated that the technology is not fixed at this point as it is a fast moving market, in the next few years the system should be much more sophisticated.

Director Franklin asked how this would affect non-residents.

Mr. Menaker stated that plan now only envisions congestion pricing affecting residents.

Director Po-Rufino stated that studies of London and Stockholm were cited, suggested that the developers study locations such as the island city of Hong Kong and the island city-state of Singapore.

Mr. Hughes stated that for precedents it is tough to find something comparable, Hong Kong is a good precedent in that there is high availability of transit which is the kind of model they are trying to build on Treasure Island, as for Singapore that is a restrictive regime which has different objectives apart from encouraging transit.

Director Po-Rufino asked if extra ferry boats would be necessary.

Mr. Hughes stated that based on discussions with ferry boat operators there is a network of boats that would be used in case a spare was needed instead of having a specific spare planned for Treasure Island.

10. Closed Session for Conference with Real Property Negotiator

There was no public comment on this item

Director Po-Rufino motioned to continue the item to the January special meeting
Director Blout seconded the motion to continue the item
The Board voted unanimously to continue this item to the special January meeting.

11. Closed Session to Meet with Legal Counsel re: Anticipated Litigation

There was no public comment on this item

Director Elberling motioned to hold a closed session
Director Franklin seconded the motion to hold closed session
The Board voted unanimously to enter closed session on this item

12. Closed Session for Conference with Real Property Negotiator

There was no public comment on this item

Director Elberling motioned to hold a closed session
Director Blout seconded the motion to hold closed session
The Board voted unanimously to enter closed session on this item

The TIDA Board went into closed session at 4:03 PM

Director Blumenfeld joined the Board during the Closed Session at 4:15 PM

The TIDA Board returned from closed session at 4:34 PM

Director Rosen motioned not to disclose the closed session discussion under Item 11
Director Elberling seconded the motion
The Board voted unanimously to not disclose the closed session discussion under Item 11

Director Blout motioned not to disclose the closed session discussion under Item 12
Director Elberling seconded the motion
The Board voted unanimously to not disclose the closed session discussion under Item 12

13. Discussion of Future Agenda Items

There was no further discussion of future agenda items

14. Adjourn

Director Po-Rufino motioned for adjournment
The meeting was adjourned at 4:35 PM

CITY & COUNTY OF SAN FRANCISCO



TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

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NOTICE OF SPECIAL MEETING

****Please Note Location****

TREASURE ISLAND DEVELOPMENT AUTHORITY

NOTICE IS HEREBY GIVEN that a special meeting of the
Treasure Island Development Authority will be held on
Monday, January 23, 2006 at 1:30 pm at 1 Dr. Carlton B.
Goodlett Place, Room 408, City Hall, San Francisco, California.

Treasure Island Development Authority

Disability Access

The Treasure Island Development Authority holds its regular meetings at San Francisco City Hall. City Hall is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) **at least 72 hours** prior to the meeting to help ensure availability.

The nearest accessible BART station is Civic Center Plaza at the intersection of Market, Grove, and Hyde Streets. The accessible MUNI Metro lines are the J, K, L, M, and N (Civic Center Station or Van Ness Avenue Station). MUNI bus lines serving the area are the 47 Van Ness, 9 San Bruno, and the 6, 7, 71 Haight/ Noriega. Accessible curbside parking is available on 1 Dr. Carlton B. Goodlett Place and Grove Street. For more information about MUNI accessible services, call 923-6142.

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Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE

(Chapter 67 of the San Francisco Administrative Code)

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Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Ms. Destro or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org/sunshine/>



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**TREASURE ISLAND DEVELOPMENT AUTHORITY
SPECIAL MEETING AGENDA**

January 23, 2006 1:30 P.M.

DOCUMENTS DEPT.

Room 408, City Hall
1 Dr. Carlton B. Goodlett Place

JAN 19 2006

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Gavin Newsom, Mayor

DIRECTORS

Claudine Cheng, Chair
Susan Po-Rufino, Vice-Chair
Jesse Blout
Jared Blumenfeld

John Elberling
Matthew Franklin
Marcia Rosen
Supervisor Chris Daly (*ex-officio*)

Peter Summerville, Commission Secretary

ORDER OF BUSINESS

1. Call to Order and Roll Call
2. Report by the Deputy Executive Director of the Redevelopment Agency (*Discussion Item*)
3. Report by Mayor's Office of Base Reuse and Development (*Discussion Item*)
4. Communications (*Discussion Item*)
5. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
6. Ongoing Business by Directors (*Discussion Item*)
7. General Public Comment (*Discussion Item*) ***In addition to General Public Comment (Item #7), Public Comment will be held during each item on the agenda.***

8 CONSENT AGENDA

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a.) Approving the Addition of the Position of Assistant Deputy Executive Director and the Deletion of a Position of Staff Associate V from the List of Treasure Island Development Authority Project Office Personnel Under the Agency Agreement With the San Francisco Redevelopment Agency and Requesting the Executive Director of the San Francisco Redevelopment Agency to Consent to These Change (*Action Item*)
- 9 Presentation of Draft Community Facilities Plan (*Discussion Item*)
- 10 Resolution Authorizing the Executive Director to Execute the Settlement Agreement Between the United States of America and the Treasure Island Development Authority to Satisfy a Claim for Outstanding Common Area Service Charges (*Action Item*)
- 11 Resolution Authorizing an Additional Extension of the Contract with Golden Gate Disposal for Refuse Collection Services at Treasure Island to April 30, 2006 (*Action Item*)

12 POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators. (*Action item*)

c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Persons negotiating for the Authority: Michael Cohen, Jack Sylvan, Joanne Sakai

Persons negotiating with the Authority: United States Navy, Treasure Island Community Development, LLC

Property: Former Naval Station Treasure Island

Under Negotiation:

Price: _____ Terms of payment: _____ Both: X

- d. Reconvene in open session (*Action item*)

i. Possible report on action taken in closed session under Agenda Item 12 (Government Code section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)

ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

13. Discussion of Future Agenda Items by Directors (*Discussion Item*)

14. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

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*****Please Note Location*****

Agenda

Treasure Island /Yerba Buena Island
Citizens Advisory Board

Tuesday January 17, 2006 -- 6:00 p.m.

**San Francisco City Hall, Room 034
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102**

- I. Roll Call
- II. Presentation of the Draft Community Facilities Plan (Discussion Item)
- III. Announcements from Board members. (Information Item)
- IV. Public Comments
- V. Adjourn

MEETING AGENDAS AVAILABLE ON E-MAIL

If you would like to receive TICAB meeting agendas by e-mail, please send your name and e-mail address to TICAB@sfgov.org

Disability Access

The Treasure Yerba Buena Island Citizen Advisory Board meets on Treasure Island in Building 442, City Hall, 1 Dr. Carlton Goodlett Place or at the San Francisco Redevelopment Agency. All buildings are accessible to persons using wheelchairs, and others with disabilities. For American Sign Language interpreters or use of a reader during a meeting, a sound enhancement system, and/or alternative formats of the agenda and minutes, please telephone 554-6789 or 274-0660 at least 48 hours before a meeting.

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The closest accessible BART is Civic Center, three blocks from the City Hall at the intersection of Market, Grove and Hyde Streets. Accessible MUNI lines serving this location are: #42 Downtown Loop, 9 San Bruno and the #71 Haight/Noriega. Accessible Muni Metro lines are J, K, L, M and N stopping at the Muni Metro Civic Center Station at Market and Van Ness. For more information about MUNI accessible services, call 923-6142. Accessible curbside parking is available on Grove Street.

TREASURE ISLAND WEBSITE

Check out the Treasure Island website at www.sfgov.org/treasureisland to find out about activities and facilities on Treasure Island, special events venues for rent, or to review the Treasure Island Development Authority's agendas and minutes.

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SAN FRANCISCO PUBLIC UTILITIES COMMISSION

1155 Market St., 4th Floor, San Francisco, CA 94103 • Tel. (415) 554-0725 • Fax (415) 554-1854



January 9, 2006

Mr. Marc McDonald
Facilities Manager
Treasure Island Development Authority
410 Avenue of the Palms, Building 1, 2nd Floor
San Francisco, CA 94130

GAVIN NEWSOM
MAYOR

RICHARD SKLAR
PRESIDENT

ANN MOLLER CAEN
VICE PRESIDENT

E. DENNIS NORMANDY
ADAM WERSBACH
RYAN L. BROOKS

SUSAN LEAL
GENERAL MANAGER

*Re: Projected Natural Gas and Electric Usage and Cost Increase
Fiscal Year 2005-2006
Treasure Island and Yerba Buena Island*

Dear Mr. McDonald:

I write to follow up on discussions SFPUC staff has had with you since October 2005 regarding natural gas and electric costs that we anticipate will exceed budgeted amounts. Two solutions are at hand, and require your action to effectuate: TIDA must seek budget supplementation to pay its utility bills; TIDA must modify the rates it has set for island utility users (i.e., residential, commercial, federal) and remit collected revenues to SFPUC. I have prepared an action item for the Public Utilities Commission, which formally notifies them of the projected budget shortfall. The action item requests they authorize the General Manager to seek approval of the Mayor and Board of Supervisors to supplement SFPUC spending authority. However, absent parallel action on your part to seek and obtain TIDA budget supplementation to pay its utility costs, and to modify the rates it has set for island utility users, I will recommend the Public Utilities Commission not take action.

Natural Gas Costs

As you know, the price of natural gas has and continues to increase to record highs this year. We've contacted the State of California Department of General Services (US DGS) and received their best estimate for purchasing this commodity for Treasure Island and Yerba Buena Island (TI/YBI) for the next six months.

Attached is a spreadsheet that contains the natural gas usage and cost for Treasure Island from July 1, 2005 through June 30, 2006. The usage or quantity of commodity projected are based on actual and last fiscal years consumption. The cost only reflects the price of buying the commodity from the US DGS and delivering it to TI/YBI. The cost excludes labor, administrative, and other related charges associated with distribution, operation, and maintenance of the on-island system.

The cost for June through November 2005 reflect actual charges from DGS, while the December 2005 through June 2006 unit costs reflect DGS' best estimate. It is estimated that the cost of natural gas will average about \$1.0239 per therm from July

2005 through June 2006. This rate is \$0.4239 over the non-discounted TI rate of \$0.60 per therm and about \$0.5139 over the discounted TI rate of \$0.51 per therm to federal customers.

In the event that the unit cost projections are correct and the TI rate for natural gas is unchanged, this would result in losses of at least \$555,957 this fiscal year. Therefore, the San Francisco Public Utilities Commission strongly recommends that the Treasure Island Development Authority (TIDA), pursuant to the Cooperative Agreement between TIDA and the U.S. Department of the Navy, eliminate the discount given to federal customers at TI/YBI (i.e., Department of Labor, US Coast Guard) and to revise the existing natural gas rate for metered customers at Treasure Island.

A new variable natural gas rate should be established that is equal to the purchase price of the commodity plus a nominal administrative charge of 5 percent.

The residential customers that are non-metered and charged a flat (bundled) monthly rate for water, sewer, electric, and natural gas consumption, under a 1998 lease agreement with TIDA, could be assessed as a surcharge on a monthly or one-time basis, pending review of the existing lease agreement or prior to its renewal, which is scheduled to expire on April 2007.

Electric Costs

The price of electricity has also increased in 2005 and the U.S. Department of Energy Western Area Power Administration (WAPA) has notified the SFPUC that it anticipates this trend to continue through 2006. A reason for the price increase is the limited availability of base resource energy from WAPA's hydrogenation facilities, which requires the purchase of supplemental power from the open market at higher rates. WAPA is currently working on obtaining a long-term contract for the purchase of supplemental power for its customers. In the absence of any contract, WAPA estimates supplemental electric prices to be subject to market fluctuation. WAPA estimates that the cost of electricity for TI/YBI, which generally ranges from \$0.06 to \$0.07 per kilowatt-hour (kWh), to increase to about \$0.08 per kWh.

Additionally, WAPA informed the SFPUC that as a result of a retroactive transmission rate increase that all customers on PG&E's system has to pay, TI/YBI will be assessed approximately \$35,000 for this year. In summary, the SFPUC projects that the cost to purchase and deliver electricity to TI/YBI will exceed previous estimates by about \$300,000.

Mr. Marc McDonald

January 9, 2006

TIDA's Annual Utility Bills

The SFPUC requests that TIDA pay its utility bills. TIDA's utility bills have averaged about \$700,000 to \$800,000 per year. The bill covers the utility services (specifically water, sewer, electricity, and natural gas) for TIDA occupied and leased buildings, irrigation and streetlights at TI/YBI. The remittance of this amount will reduce the total budget shortfall for the project this fiscal year.

If you should have any questions regarding the attached spreadsheet and request, please give Mr. Samuel Laraño a call at (415) 554-0724.

Sincerely,



Ms. Barbara Hale
Assistant General Manager, Power Enterprise
San Francisco Public Utilities Commission

cc: Michael Cohen, Director, Mayor's Office of Base Reuse and Development
Joanne Sakai, Acting Executive Director, TIDA
Noelle Simmons, Director, Mayor's Budget Office



DIVISION
TYPE OF SERVICE
FUND

ENERGY MANAGEMENT
NATURAL GAS SERVICES
SERVICE REVOLVING FUND

CAN	CUSTOMER NAME AND ADDRESS		INV DATE	17-Dec-05
0E3004	CCSF Treasure Is Attn: Angie Lee 1155 Market St 4th Floor San Francisco CA	94103	INV NO	1287307
0360	Utility Account No: 303825277	Rate Schedule: G-NTT	SERVICE PERIOD	1-Nov-05

Invoice Summary for this Period

Consumption

Usage (therms) 97,080

Commodity

Gas Supply \$100,956.64 \$100,956.64

Utility

Customer Charge \$424.89
Intrastate \$1,256.35
Transportation \$4,105.51 \$5,786.75

DGS

DGS Fees \$631.02 \$631.02

TOTAL AMOUNT TO BE REMITTED \$107,374.41

PLEASE REMIT NO LATER THAN Jan 01, 2006

FOR QUESTIONS ON INVOICES CALL:

Becki Rowland Mosley @ 916.375.5984 or email browlandmosley@dgs.ca.gov

MAKE CHECK PAYABLE TO: DEPT OF GENERAL SERVICES

MAIL TO: Dept of General Services
OFS:SRF Fiscal Services
P.O. Box 989053
West Sacramento, CA 95798-9052

Please return this portion with payment

CAN	CUSTOMER NAME AND ADDRESS		INV DATE	17-Dec-05
0E3004	CCSF Treasure Is Attn: Angie Lee 1155 Market St 4th Floor San Francisco CA	94103	INV NO.	1287307
0360			PAY THIS AMOUNT	\$107,374.41

CCSF Treasure Is
303825277
7040012

cliffy
stomer Account
amse ID

	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Total
jections - Therms	84,000	80,000	80,000	92,000	120,000	145,000	132,000	124,000	115,000	84,000	84,000	84,000	1,240,000
age, Therms	72,622	84,130	80,518	87,216	97,080	145,000	132,000	124,000	115,000	84,000	80,000	84,000	1,185,566
ance	(11,378)	4,130	518	(4,794)	(22,920)	0	0	0	0	0	0	0	-34,434
ercent of Variance	-14%	5%	1%	-5%	-15%	0%	0%	0%	0%	0%	0%	0%	-3%
rdwood Capacity	36,266	40,120	39,104	38,667	40,212	50,464	60,638	57,987	61,811	46,778	48,805	54,532	576,383
rdwood Rate Per Therm	\$ 0.0326	\$ 0.0326	\$ 0.03124	\$ 0.03026	\$ 0.03124	\$ 0.03026	\$ 0.03184	\$ 0.03252	\$ 0.03184	\$ 0.03250	\$ 0.03184	\$ 0.03250	\$ 0.03250
rrate	\$1,097.42	\$1,214.03	\$1,221.72	\$1,200.32	\$1,256.35	\$1,529.94	\$1,830.65	\$2,044.02	\$1,968.00	\$1,539.01	\$1,553.87	\$1,704.10	\$ 18,346.43
rdwood Shrinkage	440	487	475	482	488	613	736	704	751	568	553	652	7,001
inkage Rate Per Therm	\$ 0.62700	\$ 0.62400	\$ 0.64500	\$ 0.97700	\$ 1.10500	\$ 0.94500	\$ 1.23310	\$ 1.24310	\$ 1.23950	\$ 1.00950	\$ 0.99200	\$ 1.00700	\$ 1.00700
inkage Charges	\$ 276.18	\$ 304.06	\$ 401.33	\$ 480.33	\$ 539.69	\$ 579.21	\$ 908.18	\$ 875.50	\$ 929.80	\$ 572.99	\$ 568.03	\$ 666.97	\$ 7,127.27
Year Pool Gas Rate	\$ 72,622	\$ 84,130	\$ 80,518	\$ 87,216	\$ 97,080	\$ 145,000	\$ 132,000	\$ 124,000	\$ 115,000	\$ 84,000	\$ 80,000	\$ 84,000	\$ 1,185,566
Year Pool Gas Charges	\$ 45,913.10	\$ 52,983.47	\$ 66,391.97	\$ 82,854.05	\$ 99,222.73	\$ 131,988.07	\$ 140,055.43	\$ 139,959.72	\$ 131,738.54	\$ 83,782.17	\$ 78,562.82	\$ 83,453.87	\$ 1,185,566
tygate Volumes	36,356	44,010	41,414	47,549	56,868	94,536	71,362	66,013	55,169	37,222	31,185	29,468	609,183
tygate Gate Rate Per Therm	\$ 0.03400	\$ 0.02600	\$ 0.03800	\$ 0.07900	\$ 0.02100	\$ 0.05600	\$ 0.04000	\$ 0.04000	\$ 0.04000	\$ 0.04000	\$ 0.04000	\$ 0.04000	\$ 0.04000
tygate Charges	\$ 1,236.11	\$ 1,144.27	\$ 1,573.74	\$ 3,756.41	\$ 1,194.22	\$ 5,294.02	\$ 2,854.46	\$ 2,640.54	\$ 2,127.54	\$ 1,488.87	\$ 1,247.82	\$ 1,178.72	\$ 25,736.72
tribution Shrinkage	0	0	0	0	0	0	0	0	0	0	0	0	0
tribution Rate Per Therm	\$ 0.62700	\$ 0.62400	\$ 0.64500	\$ 0.97700	\$ 1.10500	\$ 0.94500	\$ 1.23310	\$ 1.24310	\$ 1.23950	\$ 1.00950	\$ 0.99200	\$ 1.00700	\$ 1.00700
tribution Shrinkage Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Usage (therms)	72,622	84,130	80,518	87,216	97,080	145,000	132,000	124,000	115,000	84,000	80,000	84,000	\$ 1,185,566
Unit Cost/Therm	\$ 0.653044	\$ 0.649596	\$ 0.849090	\$ 0.995564	\$ 1.039932	\$ 0.950768	\$ 1.157713	\$ 1.157063	\$ 1.172138	\$ 1.021953	\$ 1.004983	\$ 1.015628	\$ 1.015628
Total Commodity	\$ 47,425.38	\$ 54,431.81	\$ 68,367.04	\$ 87,050.79	\$ 100,956.64	\$ 137,861.30	\$ 152,818.07	\$ 143,475.76	\$ 134,756.88	\$ 85,844.02	\$ 80,398.66	\$ 85,329.56	\$ 1,185,566
Adjustment													\$ -
Gas Supply	\$ 47,425.38	\$ 54,431.81	\$ 68,367.04	\$ 87,050.79	\$ 100,956.64	\$ 137,861.30	\$ 152,818.07	\$ 143,475.76	\$ 134,756.88	\$ 85,844.02	\$ 80,398.66	\$ 85,329.56	\$ 1,185,566
DGS Rate	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650	\$ 0.00650
DGS Fees	\$ 472.04	\$ 546.85	\$ 523.37	\$ 568.90	\$ 631.02	\$ 942.50	\$ 858.00	\$ 806.00	\$ 747.50	\$ 546.00	\$ 520.00	\$ 548.00	\$ 7,706.18
Fee Calculation	\$ 472.04	\$ 546.85	\$ 523.37	\$ 568.90	\$ 631.02	\$ 942.50	\$ 858.00	\$ 806.00	\$ 747.50	\$ 546.00	\$ 520.00	\$ 548.00	\$ 7,706.18
mmulative DGS Fees (704-6005)	\$ 472.04	\$ 1,018.89	\$ 1,542.26	\$ 2,109.16	\$ 2,740.18	\$ 3,682.68	\$ 4,540.68	\$ 5,346.68	\$ 6,094.18	\$ 6,640.18	\$ 7,160.18	\$ 7,706.18	\$ 7,706.18
nsportation	\$ 3,510.23	\$ 3,956.91	\$ 3,394.25	\$ 3,524.75	\$ 4,530.40	\$ 2,440.00	\$ 2,260.80	\$ 2,150.20	\$ 2,026.00	\$ 1,598.20	\$ 1,543.00	\$ 1,599.20	\$ 32,572.74
Customer Charge	\$ 439.05	\$ 439.05	\$ 424.89	\$ 439.05	\$ 424.89	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 5,239.53
Distribution	\$ 3,071.18	\$ 3,517.86	\$ 2,969.36	\$ 3,085.70	\$ 4,105.51	\$ 2,001.00	\$ 1,821.60	\$ 1,711.20	\$ 1,587.00	\$ 1,159.20	\$ 1,104.00	\$ 1,159.20	\$ 27,332.81
ine-tio Dollars	\$ 52,505.07	\$ 60,189.59	\$ 75,506.38	\$ 82,382.77	\$ 107,374.41	\$ 142,770.74	\$ 157,867.32	\$ 148,475.98	\$ 139,537.38	\$ 89,527.23	\$ 84,015.53	\$ 89,267.66	\$ 1,043,74
unrrety Rate	\$ 0.72299	\$ 0.71544	\$ 0.91292	\$ 1.05924	\$ 1.10604	\$ 0.98463	\$ 1.19556	\$ 1.19739	\$ 1.21337	\$ 1.06590	\$ 1.05019	\$ 1.06271	\$ 1.04374



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ed Harrington
Controller

Monique Zmuda
Deputy Controller

January 6, 2006

John Stewart
Chairman
The John Stewart Company
1388 Sutter Street, 11th Floor
San Francisco, CA 94109-5427



Subject: Your Letter Dated December 15, 2005

Dear Mr. Stewart,

I appreciate your interest in our audit report of Treasure Island Development Authority (TIDA) and welcome the opportunity to respond to your concerns.

During our audit work, we found the detailed monthly reporting provided by JSCo sufficient for TIDA's needs.

For any organization, a sound system of internal controls is paramount. TIDA received adequate reporting from your firm but did not follow through with any monitoring or analysis of the information provided. It seemed as though it was just filed away each month. At a minimum, there should have been a trend analysis for revenue and expenditures with follow-up questions, and perhaps a drive-by of some units to see that stated repairs were completed or that certain units were unoccupied or occupied. This type of response should be considered necessary considering the fiduciary responsibility TIDA has to the Navy. It should not be viewed as a reflection of a lack of trust of your firm.

When we requested a copy of the monthly report from TIDA, we were given a three-page income statement spreadsheet. The information contained in the spreadsheet is satisfactory as far as the level of detailed information, but when asked why their net revenue fluctuated from \$540,000 to \$668,000, a change of 24 percent, TIDA staff was unable to cite the underlying causes. Overall, gross revenue is relatively constant, leaving expenditures to vary the net amount. Without a stated underlying cause, for example, "increased repairs and maintenance caused by roof repairs to units 301 through 320," TIDA staff was at a loss to explain or to anticipate possible future expenditures.

As far as the rental rates charged for your meetings, our issue was more with TIDA's lack of a stated policy than the fact that the rate was discounted. If TIDA determines that they want to accommodate on-island meetings at a discounted rate, they need to set a policy stating the

rental rate, what fees are covered by the discounted rate, and who qualifies for the discounted rate. In the absence of such a policy, TIDA's actions could be viewed as preferential treatment to a party with whom TIDA has a contractual relationship. I understand that you paid the amount billed; at issue was TIDA's policy for the amount they charged.

In conclusion, I hope that my response explains fully the intention of the audit report to reflect the activities at TIDA and not a reflection of any perceived issue with The John Stewart Company.

Sincerely,



Ed Harrington
Controller

CC: Claudine Chang, TIDA Board of Directors
Susan Po-Rufino, TIDA Board of Directors
Jared Blumenfeld, TIDA Board of Directors
John Elberling, TIDA Board of Directors
Jesse Blout, TIDA Board of Directors
Matthew Franklin, TIDA Board of Directors
Marcia Rosen, TIDA Board of Directors
Chris Daly, SF Board of Supervisors
Joanne Sakai, TIDA Acting Executive Director
Jack Gardner, JSCo
Mike Smith-Heimer, JSCo
Loren Sanborn, JSCo
Mike Hartley, JSCo
Reginald Hariston, JSCo



Actuarial & Employer Services Branch
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Sacramento, CA 94229-2709
Telecommunications Device for the Deaf - (916) 795-3240
(888) CalPERS (225-7377) FAX (916) 795-3005



January 5, 2006

Frisha Afifi
Treasure Island Development Authority
410 Avenue of the Palms
San Francisco, CA 94130

Dear Ms. Afifi:

I am writing in regards to the compensation that the Treasure Island Development Authority (TIDA) paid to Mr. Anthony Hall as the Executive Director of TIDA and reported to the California Public Employees' Retirement System (CalPERS).

In a letter dated November 29, 2005, addressed to Ms. Joanne Held of the City of San Francisco's Office of Controllers, I indicated that CalPERS would allow TIDA to report the value of employer paid member contributions (EPMC) in Mr. Hall's behalf, even though the TIDA board failed to properly implement this provision.

However, my superiors have indicated to me that before CalPERS can approve this provision, TIDA should comply with the procedures required by the California Code of Regulations Section 571(a) (A) which states:

"(A) A resolution or ordinance of the governing body must be provided to CalPERS indicating the group or class, effective date, and the percent or amount of EPMC being paid and reported as an item of special compensation. The resolution or ordinance must be formally adopted by the employer's governing body, and submitted to CalPERS for review and approval."

Furthermore, since reportable compensation must be available to a group or class of employees instead of just one person, the TIDA board should indicate a group or class of employees, even though TIDA previously only had one employee and currently does not have any employees. For example, TIDA could indicate this provision will be provided for all employees, all current and future employees, or all management employees.

Please write to us stating your intent in this regard as soon as possible. A sample of the appropriate resolution is enclosed with this letter.

CalPERS also request that TIDA provide a copy of the corrections being made to Mr. Hall's reported payroll. Please refer to the letter dated November 29, 2005, for the necessary corrections.

Thank you in advance for your assistance and cooperation. If you have any questions, please call our Employer Contact Center toll free at (888) 225-7377.

Sincerely,



Carlous Johnson, Compensation Review Analyst
Employer Services Division

Enclosures: Sample resolution for paying and reporting the value of EPMC
Letter dated November 29, 2005 from CalPERS

SAMPLE C
RESOLUTION FOR PAYING AND REPORTING THE VALUE OF
EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the _____(Name of Agency)_____ has the authority to implement Government Code Section 20636(c) (4) pursuant to Section 20691;

WHEREAS, the governing body of the _____(Name of Agency)_____ has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the _____(Name of Agency)_____ of a Resolution to commence paying and reporting the value of said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the _____(Name of Agency)_____ has identified the following conditions for the purpose of its election to pay EPMC;*

- This benefit shall apply to all employees of _____(Membership Category)____OR____(Group or Class)_____.
- This benefit shall consist of paying _____(Percent)_____ of the normal contributions as EPMC, and reporting the same percent (value) of compensation earnable** {excluding Government Code Section 20636(c)(4)} as additional compensation.
- The effective date of this Resolution shall be _____(Date)_____.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the _____(Name of Agency)_____ elects to pay and report the value of EPMC, as set forth above.

BY

(Name of Official)

(Title of Official)

(Date adopted and approved)



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November 29, 2005

Joanne Held
City of San Francisco Office of the Controller
City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4694

Dear Ms. Held:

This letter responds to your inquiry about the contract agreement between the Treasure Island Development Authority (TIDA) and Mr. Tony Hall as the Executive Director of TIDA.

Your specific question is: does the California Public Employees' Retirement System (CalPERS) allow agencies to increase employees' reportable compensation by the amount the employee or the agency pays for health premiums and retirement contributions?

The original contract between Mr. Hall and TIDA listed Mr. Hall's annual salary at \$159,998 for the 2004/2005 fiscal year. This contract was adopted on August 4, 2004.

On October 13, 2004, TIDA adopted resolution number 04-195-10/13. This resolution in acted an agreement between Mr. Hall and TIDA that stated in part, that Mr. Hall's salary will be increased by the amount of his employee contributions for health and retirement benefits each year in order to provide Mr. Hall these benefits at no cost to himself.

The California Public Employees' Retirement Law (PERL) does not have a provision for allowing health benefit premiums which are paid by the employer to qualify as reportable compensation for retirement purposes.

Reportable compensation is comprised of two components, payrate and special compensation. Government Code Section 20636(b)(1) defines payrate as follows:

"Payrate means the normal monthly rate of pay or base pay of a member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours. Payrate for a member who is not in a group or class, means the monthly rate of pay or base pay of the member, paid in cash and pursuant to publicly available pay schedules, for services rendered on a full time basis during normal working hours, subject to the limitations of paragraph (2) of subdivision (e)".

Per Mr. Hall's contract agreement, his base pay for the 2004/2005 fiscal year is \$159,998 per year, which is \$13,333.17 per month.

In addition to base pay, special compensation can be reported to CalPERS for retirement purposes. Special compensation is defined in Government Code Section 20636(c)(1) as:

"Special compensation of a member includes any payment received for special skills, knowledge, abilities, work assignment, workdays, or hours, or other work conditions."

20636(c)(5) states:

"The monetary value of any service or noncash advantage furnished by the employer to the member, except as expressly and specifically provided in this part, is not special compensation unless regulations promulgated by the board specifically determine that value to be "special compensation."

The California Code of Regulations (CCR) Section 571(a) provides an exclusive list of special compensation items that the board has approved as reportable compensation. Only items within that list qualify as reportable compensation for retirement purposes. All items within that list must also meet all of the nine criteria set forth in the CCR Section 571(b).

Payments for health premiums are not cited in the CCR as special compensation for retirement purposes, and therefore should not be reported to CalPERS. Since this compensation was reported to CalPERS, in the 2005/2006 fiscal year, it should be reversed.

The CCR 571(a)(1) does allow employers to pay and report the value of employer paid member contributions (EPMC). Although TIDA did not follow the proper procedure in adopting this provision, CalPERS will allow TIDA to report the value of EPMC for Mr. Hall. The total EPMC is 7% of Mr. Hall's base pay, or \$933.32 per month in addition to \$13,333.17. The 7% EPMC should be reported separately from the base pay as special compensation on a bi-weekly basis.

Per Mr. Hall, TIDA granted him a 2.5% pay increase in the 2005/2006 fiscal year. This cost of living increase to the base pay and EPMC is reportable compensation.

If you have any questions about how to properly report Mr. Hall's compensation or the proper procedures to follow for providing EPMC to future employees, please call us toll free at (888) 225-7377.

Sincerely,



Carlous Johnson, Compensation Review Analyst
Actuarial and Employer Services Branch

Cc: Mr. Tony Hall

The Ochola and Moore Law Firm

Frishtah Afifi, Payroll



THE
JOHN STEWART COMPANY

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December 15, 2005

Ed Harrington
Controller's Office
City Hall, Room 316
1 Dr. Carlton B. Goodlett Pl.
San Francisco, CA 94102



Subject: Treasure Island Audit Report Dated December 12, 2005

Dear Mr. Harrington,

I have just accessed a copy of your office's audit of Treasure Island. I noted that on page 18 a statement was made as follows: "The Harvey Rose audit cited a concern that TIDA was not monitoring the revenue, occupancy rates, or questionable expenditures to verify contract compliance and the accuracy of payments received from JSC despite this being the largest single revenue source for TIDA."

In connection with the above quote I would like to provide your office with copies of certain relevant financial information that has routinely been provided to the authority:

1. Our standard report on percentage rent provided monthly to the Executive Director.
2. Our standard monthly financial report showing a balance sheet, assets, income and expenses (accrual), and all check disbursements.
3. An Internal traffic report made available to our staff and TIDA's.
4. Recent correspondence dated April 15, 2005 to then Executive Director Tony Hall transmitting the certified audits on our sublease at Treasure Island for the years ending 2003 and 2004. Two things I note parenthetically:
 - (1) This material was followed up by a two-hour briefing to Mr. Hall and his staff, plus numerous additional briefings to staff; and
 - (2) There are certified audits for each and every year of our sublease operation on the Island, dating back to 1999.
5. A copy of a briefing booklet accompanying a presentation made by the undersigned to the full TIDA Board on October 15, 2004.

In your audit you also stated, "TIDA staff reported that the occupancy rate for the residential housing units has been fairly stable; however we noted monthly fluctuations in that revenue that were not explained in the submissions from JSC." A couple of comments in that regard are in order:

1. Please note from the monthly percentage rent submittal (the first attachment herein) that we show a detailed listing by account for each of the now 80 monthly draws on our sublease. From this document, variations in income and expense can be readily tracked for the past seven years.
2. Occasionally there are aberrations which are normally explained by our financial officer Mike Smith-Heimer in his monthly report. Some anomalies warrant more attention than others, an example being the attached correspondence dated September 23, 2005 to Mr. Hall regarding a settlement with Kemper Indemnity Insurance Company.

Although I am not yet familiar with the particulars, there is apparently some concern over whether or not we paid the full market rental fee for a portion of a working day wherein Company personnel used the Casa De La Vista facility. It is my preliminary understanding that we paid the amount requested by TIDA (\$300), but in the event that it was not consistent with what should have been charged to cover your costs or standard fee, we will immediately remit whatever difference is equitably due.

We have been providing financial reports to TIDA since 1999. We believe we have provided accurate information to the Authority and responded to each and every one of their questions promptly and thoroughly. I'm hopeful that current staff can attest to that fact; and I believe that Annemarie Conroy and Steven Proud are also intimately familiar our past financial accountability performance. If however you have any questions whatsoever, please don't hesitate to contact me at anytime.

Sincerely,



John K. Stewart
Chairman

Cc: Claudine Chang, Treasure Island Development Authority
Susan Po-Rufino, Treasure Island Development Authority
Jared Blumenfeld, Treasure Island Development Authority
John Elberling, Treasure Island Development Authority
Jesse Blout, Mayor's Office of Economic Development
Matthew Franklin, Mayor's Office of Housing
Marcia Rosen, Redevelopment Agency
Chris Daly, Supervisor
Joanne Sakai, Acting Executive Director
Jack Gardner, JSCo (w/o attachment)
Mike Smith-Heimer, JSCo (w/o attachment)
Loren Sanborn, JSCo (w/o attachment)
Mike Hartley, JSCo
Reginald Hariston, JSCo

*Included w/o attachments for meeting of
January 23, 2006*



AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Subject: Resolution Approving Adding a Position of Assistant Deputy Executive Director and Deleting a Position Of Staff Associate V from the list of Treasure Island Project Office Personnel under the Agency Agreement With the San Francisco Redevelopment Agency and Requesting the Executive Director of the San Francisco Redevelopment Agency to Consent to these Changes (Action Item)

Agenda Item No. 8a
Meeting of January 23, 2006

Contact: Michael Cohen, Director of Base Reuse and Development

BACKGROUND

The Agency Agreement (the "Agreement") between the San Francisco Redevelopment Agency and the Treasure Island Development Authority establishes a Treasure Island Project Office and classifications. The Agreement contemplates that the employment classifications identified in the Agreement can be modified by mutual agreement between the Authority and the Executive Director of the Redevelopment Agency. The proposed amendment to the Agreement adds an Assistant Deputy Executive Director position to the Treasure Island Project Office personnel, and deletes a Staff Associate V position. The acting Director of Development working for the Treasure Island Project Office through the Office of Base Reuse and Development would be reclassified from the Staff Associate V to the Assistant Deputy Executive Director position. This amendment is intended so that the classification is commensurate with the work responsibilities, role and experience required for the position. There is no impact to the Authority budget as all compensation costs associated with the particular position are entirely reimbursed to the Authority by the prospective master developer as a predevelopment transaction cost under the terms of the Exclusive Negotiating Agreement. This amendment is consistent with the original terms governing modification of the Agreement and the amendment does not require approval by the San Francisco Redevelopment Commission.

RECOMMENDATION

Staff recommends Authority Board approval of the amendment.

1 [Changing a Staff Associate V position to an Assistant Deputy Executive Director position
2 under the Agency Agreement with the San Francisco Redevelopment Agency.]

3 **Approving the Addition of the Position of Assistant Deputy Executive Director and the**
4 **Deletion of a Position of Staff Associate V from the List of Treasure Island**
5 **Development Authority Project Office Personnel Under the Agency Agreement With the**
6 **San Francisco Redevelopment Agency and Requesting the Executive Director of the**
7 **San Francisco Redevelopment Agency to Consent to These Changes.**

8 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
9 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
10 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
11 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
12 conversion of former Naval Station Treasure Island (the "Base") for the public interest,
13 convenience, welfare and common benefit of the inhabitants of the City and County of
14 San Francisco; and,

15 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
16 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to
17 Chapter 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the
18 Authority as a redevelopment agency under California redevelopment law with authority over
19 the Base upon approval of the City's Board of Supervisors, and, (ii) with respect to those
20 portions of the Base which are subject to the Tidelands Trust, vested in the Authority the
21 authority to administer the public trust for commerce, navigation and fisheries as to such
22 property; and,

23 WHEREAS, The Board of Supervisors approved the designation of the Authority as a
24 redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated
25 February 6, 1998; and,

1 WHEREAS, On June 9, 2004, this Board of Directors authorized and approved an
2 Agency Agreement with the San Francisco Redevelopment Agency (the "Agency Agreement"
3 for the provision of staff services to the Authority; and,

4 WHEREAS, Among other things, the Agency Agreement requires the Redevelopment
5 Agency to establish a Treasure Island Project Office comprised of classifications set forth in
6 Exhibit A to the Agency Agreement; and,

7 WHEREAS, The Agency Agreement contemplates that the employment classifications
8 listed on Exhibit A can be modified by mutual agreement between the Authority and the
9 Executive Director of the Redevelopment Agency; and,

10 WHEREAS, The Authority wishes to replace one of the Staff Associate V positions on
11 Exhibit A, currently occupied by the acting Director of Development working for the Treasure
12 Island Project Office through the Office of Base Reuse and Development, with an Assistant
13 Deputy Executive Director position so that the classification is commensurate with the
14 responsibilities, role and experience required for the position; and

15 WHEREAS, The amendment is neutral to the Authority budget as all compensation
16 costs associated with the particular position are entirely reimbursed to the Authority by the
17 prospective master developer as a predevelopment transaction cost under the terms of the
18 Exclusive Negotiating Agreement;

19 WHEREAS, Section 3 of the Agency Agreement permits the proposed amendment with
20 the mutual agreement of the Authority and the Executive Director of the San Francisco
21 Redevelopment Agency; now therefore be it

22 RESOLVED, That the Authority hereby approves the addition of an Assistant Deputy
23 Executive Director position and the deletion of a position of Staff Associate V to the list of
24 TIDA Project Office Personnel in Exhibit A to the Agency Agreement with the San Francisco
25

Redevelopment Agency and furthermore requests the Executive Director of the Redevelopment Agency to consent to these changes.

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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 23, 2006.

Susan Po-Rufino, Secretary

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No: 9

Meeting Date: January 23, 2006

Subject: Presentation of Draft Community Facilities Plan (Discussion Item)

Staff Contact: Jack Sylvan, Office of Base Reuse and Development
Michael Cohen, Office of Base Reuse and Development

BACKGROUND

The Draft Community Facilities Plan (the "Plan"), attached as Exhibit A, is a preliminary effort to craft a comprehensive list of facilities necessary to support operations and safety on the island and spaces that support an integrated community and programs typical for a neighborhood of the size proposed. The Plan summarizes preliminary demographic projections for the proposed residential community and outlines key facilities that are proposed to be provided or located as part of the project to serve that community. In most cases, specific sizes and locations have not been determined at this time. Rather this draft Plan serves to bookmark the range of facilities required for the project, receive public input on the proposal and provide a basis for including appropriate costs in the financial analysis of the project at a term sheet level.

This Plan was presented to the Treasure Island/Yerba Buena Island Citizen's Advisory Board (TI/YBI CAB) at its January 17, 2006 special meeting. As with all other elements of the planning for the redevelopment of Treasure Island, this Plan will be revised through the iterative public planning and review process and it is expected that a revised version of this document will be prepared to support the presentation of the Term Sheet to the TI/YBI CAB, TIDA Board and Board of Supervisors.

EXHIBITS

A Draft Community Facilities Plan



RECYCLED PAPER MADE FROM 20% POST CONSUMER CONTENT

TREASURE ISLAND DRAFT COMMUNITY FACILITIES PLAN

January 17, 2006



Building Community at Treasure Island

A key principal of the Treasure Island redevelopment plan is to ensure that the building blocks to create a successful community are put in place from the very beginning of the development through its completion and beyond.

Building a new community on Treasure Island will require a commitment to building infrastructure to fulfill public safety and operational needs, providing social services and programs to deliver critical services, creating social linkages where all income levels and age groups can join together to grow and prosper, and establishing the types of programs that are viable and flexible to meet the needs of the population today and tomorrow. Each of these objectives requires physical spaces in which these services can exist. This Draft Community Facilities Plan ("Plan") describes those facilities in which community can be fostered.

Multiple elements of the TICD plan will contribute to meeting the goal of building a community at Treasure Island. The Draft Land Use and Open Space Plan defines an essential template to fulfill on the goal, by creating the following:

- A compact development with high quality, shared public amenities, centered around a mixed-use island core that serves as the heart of the community.
- An extraordinary network of open space and recreational resources open to all, with attention to small parks, community facilities and public spaces that will establish common ground for enjoyment and interaction.
- A diversity of housing types and a robust affordable housing program providing housing affordable to the entire range of household incomes, together supporting a diverse residential population, as outlined in the Draft Affordable Housing Plan.

The proposed development includes important community building benefits for a complete range of families, individuals and couples, for visitors and workers and for young, old and those in between. Children and youth will be served by daycare facilities, schools, activity centers and other educational opportunities. They will be welcomed at the organic farm and environmental education center with their families, and offered outdoor play facilities from local neighborhood parks to sports fields. Families of all incomes who choose Treasure Island living will find community access to transportation options and assistance, community spaces, environmental education, arts and performance opportunities, extensive sports programs and the extraordinary comfort and freedom of a safe and comfortable setting for walking, biking and community events. Finally, older

members of the Treasure Island community will be able to access drop-in centers and multi-age group community facilities to promote a healthy lifestyle, and access to active and passive recreation and open space opportunities.

Some of the facilities outlined in this plan are new concepts linked to the features of this plan. Others acknowledge the existing community services already being provided on the Island, and seek to provide a site or a home for those on-going initiatives. And others draw from San Francisco's broad sense of community.

Recognizing that a successful community requires facilities such as those touched upon above, this Plan describes the community facilities that are proposed to be delivered as part of Treasure Island Community Development's ("TICD") redevelopment of Treasure and Yerba Buena Islands.

Materials supporting this plan include:

- Photographs of sample "best practices" to provide a visual sense of some of the community facilities described in this plan
- Matrix of key community facilities with an indication of approximate size and numbers as well as an indication of the standards being applied, and
- Summary demographic projections, which give a snapshot of the size and character of the anticipated Treasure Island population. It is this population and age spread that will ultimately determine full facility needs programs.

Summary of Demographics: A Snapshot of Treasure Island in the Future

This Plan is premised on the land use plan proposed by TICD and includes up to 5,500 new homes, 30% of which would be below market rate, approximately 235,000 square feet of retail/commercial uses, roughly 320 acres of open space and other amenities.

Based on this development program, TICD has conducted preliminary demographic projections which indicate that approximately 11,000 to 13,000 residents will live on TI and YBI at build out of the proposed project. This population base will be comprised of the entire spectrum of age ranges and household types. TICD is anticipating that approximately 2,300 children and youth between the ages of 1-18 will reside on the islands, weighted more heavily in favor of younger children (those between 1-13) than young adults (those between 14-18). Young workers, singles and non-traditional families will be welcomed to Treasure Island and will comprise a substantial portion of TI's future. Young families (those with children ranging from 1-7 years), more established families (those with children ranging from 8-18 years) and older generations without children will make up the remainder of Treasure Island's population.

It is anticipated that at final build out there will be approximately 1,725 children (ages 0-13) residing on Treasure Island and approximately 575 high school age youth (ages 14-18) who will call Treasure Island home. Some 1,250 people over the age of 64 and another approximate 5,725 adults (ages 19-64) will live, work and play on Treasure Island. Finally, given the proposed affordable housing program (30% of all homes will be designated as below-market rate homes), it is expected that all income levels will prosper and grow as part of the Treasure Island community.

These preliminary demographic projections are important for establishing the type and key parameters of community facilities needed for Treasure Island and will continue to be refined for this purpose.

A. Description of Proposed Community Facilities

I. PUBLIC SERVICE FACILITIES

New facilities essential for public safety, emergency services and operations of the island will be provided on-site. These facilities include the following:

- ***Police and Fire Station.*** A combined police and fire station is proposed and will be located at a location on Treasure Island to most efficiently provide service to both Treasure and Yerba Buena Islands. The facility will be sized and located to provide service to all residents, visitors and employees of the Islands. These facilities will be fully linked through existing redundant emergency communications systems to ensure that Treasure Island is fully integrated into the San Francisco Police and Fire Department network.
- ***Wastewater Treatment Plant.*** As outlined in the Draft Infrastructure Plan, a new wastewater treatment plant will be constructed on the island eliminating the need for wastewater to be pumped off-island for treatment. In addition, the wastewater treatment plant offers the benefit of a readily available reclaimed water source, suitable for irrigation, use in the storm water treatment wetland, and, if necessary, fire suppression.
- ***Corporation Yard.*** A corporation yard will be located adjacent or proximate to the wastewater treatment facility. The corporation yard will provide vehicle and service space to support island operations, including utilities, roads maintenance and cleaning, transportation operations and open space maintenance. It is anticipated that the corporation yard may also be the home of the on-island recycling center.
- ***Recycling Center/Program.*** An important and significant component of the Sustainability Program will be incentives for and facilities to accommodate a complete recycling program. This is likely to relate to water use, energy production and responsible handling of other

trash/waste. Special facilities linked to the farm and gardens are anticipated for the reuse of organic materials. Programs here could also offer environmental education opportunities.

- ***Storm water Treatment Wetlands.*** A storm water treatment wetland will be constructed to handle all stormwater runoff on the island. The wetland also serves as an important user of the reclaimed water from the wastewater treatment plant, creates an important habitat type, and is an educational amenity.
- ***Sustainable Energy Generation.*** The integration of solar and wind generating technologies into both the public and private landscape will benefit the residents and visitors of the Island by decreasing the demand for conventional energy sources.

II. COMMUNITY FACILITIES

In addition to facilities for public safety and island operations, it is recognized that appropriate physical spaces and structures are required to support the creation of a community containing between 10,000 to 12,500 residents, 2,000 to 3,000 workers and thousands of visitors annually. These facilities include community spaces, community services and amenities, and educational and recreational facilities among others. The plans for these services and facilities are described below.

COMMUNITY SPACES

- ***Treasure Island Community Center.*** Treasure Island will have a space that can serve as a community function space for the Island. This facility is intended to provide a similar function as the Mission Bay Community Center serves for that new neighborhood. Building One may be a suitable location for such a facility, or the facility could be linked to the school, which has often historically been the case for such facilities in urban communities.
- ***Neighborhood Community Rooms.*** The current land use plan proposal includes community rooms or facilities within each of the diverse residential neighborhoods on the island.

A typical neighborhood is made up of four or five small walkable blocks with low-rise to mid-rise housing, accommodating a variety of unit types, including affordable homes, and range of household types and age groups. Within some of the neighborhood mid-rise housing would be a community room that would be accessible to all residents of the surrounding neighborhood blocks. The uses within these spaces might vary from flexible meeting space to exercise, health or educational facilities. In some of the residential buildings, ground level community space might also include coffee shops, a neighborhood reading room/library or other retail uses that bring the multiple layers of the

Treasure Island population together as a single cohesive group. Such spaces would be likely to average approximately 1,500 square feet.

- **Neighborhood Reading Room/Library.** A neighborhood reading room or library will be provided on Treasure Island. While the exact location is not yet known, the community rooms described above or a space in Building One may be an appropriate location for such a community facility. It is anticipated that such a neighborhood reading room would be approximately 5,000 square feet. This facility should be centrally located to serve the Islands.
- **Senior/Adult Services.** A center for senior and adult services is also anticipated to provide drop-in, daycare and other services. The location will be accessible, safe and comfortable for all ages and might utilize one of the community neighborhood spaces.
- **Youth Center.** Youth activities have been a part of the Treasure Island community for a number of years and such activities are expected to grow in the long-term plans for the Island. Appropriate locations could be near the school, sports fields or other educational settings and with easy access for all residents. Uses in this space could include after school, educational and social activities for young residents of the Islands. Additionally, in order to address the physical recreational needs of the anticipated youth population, TIDA and TICD are exploring opportunities to partner with the Jobs Corps for use of their gymnasium for Island residents. If that opportunity does not come to fruition, a dedicated youth center might eventually be required. In any event, youth services would likely comprise approximately 10,000 square feet of indoor space and would benefit from another 10,000 of gymnasium and locker space.
- **Community Performance Space.** Community performance space is proposed at Clipper Cove Plaza where a natural, sunny gathering area can be easily transformed into a stage and viewing area. This space could be utilized for community gatherings as well as destination events such as festivals, concerts, and other arts performances.
- **TIHDI Activities Space.** The Draft Jobs and Equal Opportunity Program, presented previously, anticipates an ongoing major role for the Treasure Island Homeless Development Initiative ("TIHDI") in the Island's redevelopment. In order for that to occur, TIHDI members and programs will need to be housed and supported. This Plan builds from that earlier plan and provides for TIHDI's use of approximately 12,000 square feet of leaseable space for its administrative offices, Job Broker program, youth and after-school programs, and other social service activities. In addition, it is anticipated that TIHDI will also provide supportive service space for its residents and clients in some of its future residential structures.

COMMUNITY SERVICES AND AMENITIES

- ***Building One.*** Building One will likely serve as a key location for community services and amenities. Included within Building One would be the TI/YBI Welcome Center providing a wide array of services for residents, prospective residents and visitors and some retail uses, like restaurants and entertainment. Building One would also be an ideal location to showcase artifacts from the Treasure Island World's Fair and the Navy's Historical Collection in the Treasure Island Museum. Additionally, community space, governmental offices and public-serving commercial activities and gathering spots, community bulletin boards, and information regarding Island sustainability measures could be located here. Building One's location directly connected to the ferry and transit hub make it a perfect gateway to the Island, and a prime location for these and other services.
- ***Neighborhood Retail/Services at Urban Core.*** The island mixed-use core, located between the ferry terminal and Clipper Cove, is anticipated to include neighborhood-serving retail uses for Island residents and visitors alike. While the exact mix of retail tenants will not be defined at the term sheet level, the development plan anticipates a grocery store to meet the needs of Island residents and ancillary neighborhood-serving retail uses, such as a café, drycleaner, health and beauty, book and entertainment stores, and other necessary uses, all of which would likely occupy approximately 25,000-35,000 square feet. These will be located for easy access from the on-island shuttle and on a clear path for commuters coming from/to the ferries and the off-island buses. In addition, the multiple restaurant offerings, which will range from casual cafes to fine dining will be located in this area, offering residents an easy opportunity to access these amenities on the trip to and from home.
- ***Community Information Boards.*** Community information will be accessible via both physical information boards and online sources. It is anticipated that online information sharing will be featured at Treasure Island utilizing new communications capabilities. Community information and posting boards will be located at strategic points on Treasure Island and Yerba Buena Island where residents and visitors can collect information about on-Island services and events or post information for others to share. Strategic locations for these community information boards may include Building One, the Treasure Island Community Center, neighborhood community rooms, the school and day care facilities as well as the retail establishments that primarily serve the resident population, such as the grocery store.
- ***Transportation Coordinator Office.*** The transportation coordinator office will be located in the island core, most likely at or adjacent to the ferry terminal so as to be most accessible to users of public transit. The office would be staffed by a transportation coordinator providing

information on transit services and other transportation information. Plans call for a full time staff person working to encourage use of transit, walking, bicycles and alternative travel modes and implement disincentives for use of private vehicles.

- **Bicycle Storage.** A central bicycle storage facility will be provided near the ferry and bus hub for all users of the island – including areas for private and for shared use bicycles. Commuter and recreational bicycle information will also be available to residents and visitors.
- **TIHDI/Job Broker Office.** As mentioned previously, TIHDI will have support offices on the island including its Job Broker function, providing one-stop shop job broker information for employment programs, opportunities and training.
- **Health and Wellness Facilities.** Linked to the commitment to support a range of age groups on Treasure Island, providers of health and wellness services will be encouraged to locate on the island. Some medical and dental services may already exist via vocational training programs run by the Job Corps. These programs may be available to be expanded to serve all Treasure Island residents. Additional health and wellness services are anticipated to build upon the healthy lifestyle setting on the Island with well-rounded services for old and young. Exercise and spa facilities are also anticipated linked to the hotel/hospitality sites, which will be accessible to residents.
- **Community Gardens.** Residents of and visitors to the Island will have access to community gardens for edible and non-edible plantings. The community gardens also offer a unique educational opportunity.

EDUCATIONAL FACILITIES

A number of varied educational facilities are planned to serve Island and San Francisco residents, Island employees and visitors.

- **Treasure Island School.** A school will be located on the Island. Based on preliminary demographic projections it is currently estimated that the school would serve K-8 ages. However, more information and analysis is necessary, working in conjunction with the San Francisco Unified School District, to determine the size and phasing of such a school at Treasure Island. Additionally, there may be an opportunity to build the educational curriculum to take advantage of Treasure Island's setting and themes, such as the Island's status as a model of environmental stewardship, its diverse population or other factors. The current school, which was designed for 330-430 students and has approximately 33,000 square feet of indoor space, would be expanded to accommodate the anticipated student population.

- **Life Learning Academy.** The Delancey Street Life Learning Academy, an approximately 60-student charter high school of the San Francisco Unified School District, has been located on Treasure Island for a number of years. The Life Learning Academy is expected to remain on Treasure Island, although not in its current location. TIDA and TICD will work with the Life Learning Academy to ensure appropriate sizing based on projections for the Academy.
- **Childcare Facilities.** Childcare facilities will be provided on Treasure Island to serve children of the residents and, potentially, employees. The current land use plan does not propose to retain the existing child care facility in perpetuity. However, the existing facility is expected to be retained until the final development phase and would continue to serve Island toddlers until that time. As more families call Treasure Island home, and as the need is justified, additional child care facilities would be provided. Given Treasure Island's overall land use configuration, emphasizing proximity to open space, it is expected that child care facilities would be adjacent to larger public open spaces throughout the Island. As noted above, sites for additional facilities can be developed as needed and as phases of the project are built out. These services may be provided in a single facility serving the entire Island or more than one facility dispersed on the island. Important in the siting and design of childcare facilities will be assurance of easy and safe drop off areas for parents, and convenient and safe location.
- **Environmental Education Center.** A privately funded environmental education center is proposed to be located on Treasure Island. Although the exact location for this use has not yet been designated, one likely location would be proximate to the wastewater treatment plant, storm water treatment wetland and urban demonstration farm garden. Alternatively, this feature might be located at Building One to take advantage of the important community features that will occur there. This facility would provide space for educational programs and exhibits related to sustainable practices on Treasure Island and the unique habitat that the Islands provide. A focus on sustainability and environmental stewardship is not only a key component of the overall plan, but it will also serve, as other models such as the Living Classroom have shown, as another feature supporting Treasure Island's multi-faceted program of community building.
- **Treasure Island Museum.** Opportunities for the display of historical artifacts from the World's Fair and Navy eras are anticipated, potentially as an element of the Building One Welcome Center.
- **Art Park.** An art/sculpture park will be established on the western shoreline of Treasure Island that will serve as both an educational and cultural amenity. It is currently anticipated that there would be both permanent and temporary installations, possibly including an

environmental art component consistent with the overall theme of sustainability on the island.

- **Urban Farm.** The inclusion of a roughly 20 acre urban farm in the center of the Island enhances, not only the diversity of the open spaces, but also the educational offerings available to both residents and guests. It is anticipated that the farm will have an educational component to help San Franciscans of all ages to understand sustainable urban farming.

OPEN SPACE AND RECREATIONAL FACILITIES

The current land use plan proposes the creation of approximately 320 new and improved acres of open space and recreational facilities on the islands, a park system roughly one-third the size of Golden Gate Park. This open space system will provide an outstanding array of recreational facilities and outdoor opportunities for all ages of residents, employees and visitors to the island. This recreational program includes the following:

- **Great Park on Treasure Island.** While there are a variety of specific park settings throughout the Islands, the collection of these pieces together is in and of itself a unique community benefit. The scale of the Great Park will make it the largest park in San Francisco history outside of Golden Gate Park.
- **Regional Sports/Recreation Facility with Ball fields, Soccer Fields, etc.** Existing sports fields on Treasure Island support recreational activities for residents and the larger San Francisco community. New sports and recreational facilities will offer expanded opportunities for baseball and softball, soccer, rugby, and other forms of organized recreation. The new facility is intended to be regional in nature, providing sufficient size and quantity of fields and support amenities to host youth and adult teams Bay Area- and State-wide, in addition to providing a location for local leagues and clubs.
- **Neighborhood Parks and Playgrounds.** Each residential neighborhood is designed around local neighborhood parks that are protected from the wind, but feature optimal solar orientation. The parks offer juxtaposition to the vastness of the Great Park by providing intimate spaces for every resident to enjoy. Each park can take on a character of its own with different landscaping choices and different levels of activity. These parks create a green necklace, linked by a pedestrian-oriented lane that offers residents a pleasant, people-friendly connection back to the retail area, and ferry and transit hub.
- **Pedestrian/Bicycle Shoreline Promenade (San Francisco Bay Trail).** The current plan will take full advantage of Treasure Island's setting at the heart of the bay by offering a continuous network of bicycle and pedestrian pathways that loop around the shoreline and through Treasure Island,

connect to Yerba Buena Island, and most importantly, connect to the San Francisco Bay Trail via the new bicycle and pedestrian facilities on the new east span of the Bay Bridge.

- **Outdoor Sports Courts.** The vast open space at Treasure Island creates an opportunity for other outdoor sports facilities that may be in short supply in San Francisco, like basketball and tennis courts.
- **Beach at Clipper Cove.** Clipper Cove offers a protected beach setting for use by residents and visitors alike.
- **Yerba Buena Island Hiking Trails and Hilltop Park.** The Pedestrian and bicycle trails will connect via the existing causeway to Yerba Buena Island, offering a more wooded hiking or biking experience. The centerpiece of the Yerba Buena Island parks system will be a park at the very top of the Island that offers world class views of the bay. As mentioned before, these trails will connect to the new facilities on the new Bay Bridge east span, which helps make the Islands a truly regional asset.
- **Treasure Island Sailing Center.** The Treasure Island Sailing Center is an existing non-profit organization that gives San Francisco youth the opportunity to experience the bay first hand. A new facility for the Sailing Center is expected adjacent to Clipper Cove so that they can continue their mission.
- **Sailboarding Launches.** Treasure Island offers a fantastic community for the regional sailboarding community and put-in and take-out facilities are planned to improve the access for this use.
- **Marina and Pedestrian Pier.** Visitors and residents will be able to access the waterfront through pedestrian accessible piers near the marina development.

OPPORTUNITIES FOR JOB CORPS INTEGRATION

The 36-acre federal Department of Labor Job Corps campus situated in the middle of Treasure Island provides both a planning challenge and an opportunity. Current and former Job Corps directors have expressed interest in Job Corps being linked physically, programmatically and functionally into the current and future Treasure Island development and community. Job Corps will benefit from new development in the form of new and reliable backbone utility infrastructure, improved transit operations, access to increased open space, educational and cultural amenities, environmental sustainability measures and practices, and improved fire and police service. In addition to potential linkages between job training and placement programs at Treasure Island and city-wide, there is also an opportunity to physically link the campus to the surrounding master development. Furthermore, while these opportunities need to be explored at the appropriate federal and local levels, there may be opportunities for use of Job

Corps facilities for the larger Treasure Island community. Some of these opportunities might include:

- **Ballfields.** There are currently recreational fields, including one baseball diamond, at the northern portion of the Job Corps campus. TIDA and the development team will explore the possibility of accessing these fields via a partnership with Job Corps to form a larger regional ballfield/recreational facility at Treasure Island.
- **Gymnasium.** The Job Corps campus includes a relatively new indoor gymnasium for use of the Job Corps students. TIDA and the development team will explore any potential opportunities to enable shared community use of the facility.
- **Medical/Dental Facilities.** The Job Corps has medical and dental training programs and facilities for those programs. The opportunity for encouraging the Job Corps programs to provide simple medical/dental services on-Island to the community will be explored.
- **Police/Fire Station Location.** TIDA and the development team will explore opportunities to locate a future new police and fire station on Job Corps property, which would be mutually beneficial to the development project and Job Corps.

B. PHASING

Delivery of the community facilities will be phased commensurate with the development of residential and commercial uses. Certain core facilities will be expected to be delivered in early phases of the project. These would include:

- New wastewater treatment facility
- Community spaces in each neighborhood
- Childcare facilities
- Recreational facilities and open space
- School - working with the Unified School District
- Transportation coordinator office
- Neighborhood-serving retail core

C. Summary Demographic Projections

HOUSE HOLD TYPES

Household Type	5,500 Home Plan		4,500 Home Plan		3,500 Home Plan	
	#	%	#	%	#	%
Young Worker/Singles	1,947	35%	1,575	35%	1,225	35%
Young Families	1,101	20%	900	20%	700	20%
Middle Aged Families	816	15%	675	15%	525	15%
Older Generations	1,635	30%	1,350	30%	1,050	30%

RESIDENT AGE DISTRIBUTION

Resident Age	5,500 Home Plan		4,500 Home Plan		3,500 Home Plan		SF Citywide	
	#	%	#	%	#	%	#	%
0 to 5	552	5%	447	5%	353	5%	31,663	4%
6 to 13	1,173	10%	950	10%	750	10%	62,476	8%
14 to 18	575	5%	466	5%	368	5%	33,334	4%
19 to 35	2,726	23%	2,208	23%	1,744	23%	236,472	30%
36 to 44	1,974	16%	1,599	16%	1,263	16%	133,804	17%
45 to 64	3,750	31%	3,036	31%	2,400	31%	173,002	23%
64 and over	1,250	10%	1,013	10%	800	10%	106,111	14%

HOUSEHOLDS WITH CHILDREN

	5,500 Home Plan		4,500 Home Plan		3,500 Home Plan		New Homes in SF		SF Citywide	
	#	%	#	%	#	%	#	%	#	%
Total HH w/Children	1,670	30%	1,350	30%	1,069	30%	168	21%	56,862	17%
Total HH w/o Children	3,830	70%	3,150	70%	2,431	70%	618	79%	269,027	83%
Children/HH for HH w/Children	1.4	n/a	1.4	n/a	1.4	n/a	Not avail		1.59	



AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Meeting of January 23, 2006

Agenda Item No. 10

Subject: RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE SETTLEMENT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE TREASURE ISLAND DEVELOPMENT AUTHORITY TO SATISFY A CLAIM FOR OUTSTANDING COMMON AREA SERVICE CHARGES (*Action Item*)

Contact/Phone: Marc McDonald, Facilities Director
274-0660

BACKGROUND

Between December 15, 1997 and February 1, 2000, the Treasure Island Development Authority ("Authority") and the US Navy entered into various lease agreements for the use of property on Treasure Island and Yerba Buena Island pending completion of discussions regarding proposed transfer of Treasure Island Naval Air Station to the City and County of San Francisco. Each lease was for a term of one year, subject to the right of the Navy to terminate the lease.

The purpose of each lease was to enable the Authority to sublease portions of the master leased areas for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island.

Between December 15, 1997, and September 30, 2000, the Navy retained responsibility for maintenance and repair of the common areas of the leased premises. These responsibilities included landscape maintenance, street repair and maintenance, as well as major repair and maintenance to island buildings. In exchange for maintenance of the common areas leased to the Authority the Navy imposed a common area service charge (CAM charge).

The Authority routinely paid the CAM charges imposed by the Navy from December 1997 through September 30, 1998. Routine payments ceased on September 30, 1998. In March of 1999, the Authority made an additional partial payment of \$150,866.73. The Navy continued to charge CAM charges through September 30, 2000.

On October 1, 2000, the Navy amended all leases with the Authority to eliminate the CAM charge and delegated to the Authority the responsibility to maintain the common areas.

On September 15, 1999, April 15, 2002, December 18, 2002, and June 27, 2005, the Navy made demands for payment of CAM charges incurred by the Authority from

September 1, 1998 through September 30, 2000. The amount of the Navy's claim was \$1,375,824.00. Authority staff has agreed that the Authority has an obligation to pay the Navy outstanding CAM charges, however, the amount of the obligation has been in dispute. In anticipation of resolving this dispute, staff earmarked funds for settlement and set-aside \$225,000 in Fiscal Year 2004-2005 and an additional \$225,000 in Fiscal Year 2005-2006. The total amount currently available for settlement of this dispute is \$450,000.

The US Navy and staff have negotiated a settlement that both parties consider to be a fair and reasonable estimate of the value of the Authority's obligation to the Navy for outstanding CAM charges. The amount of the settlement is \$872,671.65.

Staff proposes payment of \$450,000 promptly upon execution of the Agreement, an additional payment of \$211,335.83 on or before October 1, 2006, and a final payment of \$211,335.83 on or before October 1, 2007.

RECOMMENDATION

Staff recommends approval of the negotiated settlement agreement between the Navy and the Treasure Island Development Authority as satisfaction of the Navy's claim for outstanding CAM charges.

EXHIBIT

- A Settlement Agreement Between the United States of American and the Treasure Island Development Authority

1 [Approval of an Agreement between the United States of America and Treasure Island
2 Development Authority]

3 **RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE**
4 **SETTLEMENT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE**
5 **TREASURE ISLAND DEVELOPMENT AUTHORITY TO SATISFY A CLAIM FOR**
6 **OUTSTANDING COMMON AREA SERVICE CHARGES**

7
8 **WHEREAS**, The Authority and the United States of America, acting by and through the
9 Department of the Navy (the "Navy"), entered into the following master leases

- 10
11 ▪ Treasure Island Homeless Development Initiative Residential Master Lease, effective
12 September 1, 1999;
- 13 ▪ Fire Fighting Academy Master Lease, effective December 15, 1997;
- 14 ▪ Cell Site Master Lease, effective February 1, 2000;
- 15 ▪ Police Academy Master Lease, effective April 5, 1999;
- 16 ▪ Delancey Street Master Lease, effective December 1, 1999;
- 17 ▪ Marina Master Lease, September 4, 1998;
- 18 ▪ South Waterfront Master Lease, effective September 4, 1998;
- 19 ▪ Land & Structures Master Lease, effective November 19, 1998;
- 20 ▪ Events Venues Master Lease, effective September 4, 1998;
- 21 ▪ John Stewart Residential Master Lease, effective March 17, 1999;
- 22 ▪ Quarters 230 Master Lease, effective June 1, 1999
- 23
24
25

1 for the Authority to use and rent out certain land and structures throughout Treasure Island
2 and Yerba Buena Island for residential and other uses; and,

3 **WHEREAS,** The above described master leases enable the Authority to sublease
4 portions of the master leased areas for interim uses and generate revenues to support the
5 interim uses and the future redevelopment of the former Naval Station Treasure Island; and

6 **WHEREAS,** Commencing on the effective dates described above through
7 September 30, 2000, the above described master leases required the Authority pay to the
8 Navy a common area service charge (CAM charge) as consideration for common area
9 maintenance services performed by the Navy, and

10 **WHEREAS,** The Authority did not make CAM charge payments to the Navy from
11 September 1, 1998 through September 30, 2000, and

12 **WHEREAS,** Effective October 1, 2000, the Navy and the Authority entered into
13 agreements by which the Navy discontinued providing common area maintenance services
14 and the obligation of the Authority to pay for said services terminated; and

15 **WHEREAS,** the Navy has submitted a demand and claim to the Authority in the
16 amount of \$1,375,824.00 as the Navy estimate of unpaid CAM charges up through
17 September 30, 2000; and

18 **WHEREAS,** the Authority has acknowledged an obligation to pay reasonable unpaid
19 CAM charges to the Navy as compensation for services performed by the Navy for the benefit
20 of the Authority as tenant to the Navy in accord with above described Master Leases, and

21 **WHEREAS,** the Authority has disputed the amount of the Navy claim and,
22
23
24
25

WHEREAS, the Authority and the Navy have met and conferred and agreed that the total amount of past due CAM charges owed up to September 30, 2000 is \$872,671.65 ; now therefore be it

RESOLVED, That the Board of Directors hereby authorizes the Executive Director to enter into a settlement agreement with the United States of America acting by and through the Department of the Navy, in substantially the form attached hereto as Exhibit A (the "Settlement Agreement") to settle the amount of the CAM charges obligation owed by the Authority to the Navy as described above and set forth in further detail in Exhibit A.

FURTHER RESOLVED, That the Board of Directors authorizes the payment of the \$872,671.65 in past due CAM charges to the Navy in accordance with the terms and conditions of the Settlement Agreement attached as Exhibit A and as follows: (i) a payment of \$450,000 promptly upon execution of the Settlement Agreement, (ii) a payment of \$211,335.83 on or before October 1, 2006, and (iii) a final payment of \$211,335.83 on or before October 1, 2007.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 23, 2006.

Susan Po-Rufino, Secretary



RECYCLED PAPER MADE FROM 20% POST CONSUMER CONTENT

SETTLEMENT AGREEMENT
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS SETTLEMENT AGREEMENT ("Agreement") made this ____ day of _____ 2006, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Authority." The Government and the Authority hereby agree as follows:

1. **Facts.** This Agreement is based upon the following facts:

a. The Government and the Authority are parties to those Master Leases shown on Exhibit A, attached hereto and made a part hereof.

b. From the commencement date of each Master Lease listed on Exhibit A up to September 30, 2000, each Master Lease required the Authority to pay the Government common service charges (hereafter, "CAM Charges") as follows: \$0.025 per square foot per month of used or occupied building space and \$0.003 per square foot of land area used or occupied by the Authority or subleased by the Authority to another.

c. The Government submitted a written claim and demand to the Authority for \$1,375,824.95 in past due CAM Charges. The Government requested that the Authority review the calculations supporting the claimed amount and either pay the claimed amount or propose revisions to the calculations based upon sublease records in the possession of the Authority.

d. The Authority subsequently proposed revisions to the Government's calculation of the past due CAM Charges up to September 30, 2000, based upon sublease records and other data in the Authority's possession.

e. After meeting and conferring, the Government and the Authority have agreed that the total amount of past due CAM Charges owed up to September 30, 2000 is \$872,671.65.

2. **Payments.** The Government and the Authority have agreed that the Authority shall pay to the Government the \$872,671.65 CAM Charges in accordance with the following payment schedule:

a. The Authority shall pay \$450,000.00 promptly upon the execution of this Agreement, by valid check made payable to "United States Department of the Treasury" and delivered to the following address:

Department of the Navy
Base Realignment and Closure
Program Management Office West
Attn: Ms. Elizabeth Larson
1455 Frazee Road, Suite 900
San Diego, CA 92108-4310

b The Authority shall pay the balance, in the manner and to the address specified in Paragraph 2(a) above, in two annual installments of \$211,335.83, one payment to be paid on or before October 1, 2006 and the other to be paid on or before October 1, 2007.

3 **Release.** In consideration for, and subject to, the Authority's payments as set forth in paragraph 2 above, and except as otherwise provided in this paragraph, the Government hereby forever waives, releases and discharges the Authority from all present and future claims, including without limitation, any obligation to pay interest or damages (including consequential damages), arising out of the Authority's failure to pay CAM Charges accruing up to September 30, 2000, under the Master Leases listed in Exhibit A hereto. Any claims or actions arising out of, or seeking enforcement of, this Settlement Agreement are excepted from this release.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this Agreement as of the day and year first above written.

UNITED STATES OF AMERICA

TREASURE ISLAND DEVELOPMENT
AUTHORITY

Title _____

Title _____

APPROVED AS TO FORM:

CITY ATTORNEY

EXHIBIT "A"

List of Master Leases

Master Leases Related to Delinquent CAM at Naval Station Treasure Island

<u>Navy Lease Number</u>	<u>Lease Description</u>	<u>Effective Date</u>	<u>Expiration Date</u>
N6247499RP00B19	TIHDI	9/1/99	8/31/14
N6247498RP00P22	FIRE FIGHTING	12/15/97	12/14/12
N6247400RP41B03	CEL SITE	2/1/00	10/14/03
N6247499RP00B08	POLICE ACADEMY	4/5/99	4/4/04
N6247499RP00B28	DELANCEY STREET	12/1/99	11/30/04
N6247498RP00Q01	MARINA	9/4/98	9/3/02
N6247498RP00P99	SOUTH WATERFRONT	9/4/98	9/3/02
N6247499RP42P12	LAND & STRUCTURES	11/19/98	11/18/02
N6247498RP00Q03	EVENT VENUES	9/4/98	9/3/02
N6247499RP00B05	JOHN STEWART	3/17/99	3/16/14
N6247400RP00B20	QUARTERS 230	6/1/99	11/10/00

**

**Delancey Street terminated 6/20/01

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Meeting of January 23, 2006

Subject:

Resolution Authorizing an Additional Extension of
Contract with Golden Gate Disposal for Refuse
Collection Services at Treasure Island to April 30,
2006 (*Action Item*)

Agenda Item No. 11

Contact/Phone: Joanne Sakai, Deputy Director, San Francisco Redevelopment Agency
on behalf of TIDA
274-0660

BACKGROUND

The current contract with Golden Gate Disposal & Recycling Company ("Golden Gate") for refuse collection services expired on September 1, 2005. In order to ensure that refuse continued to be collected in a manner consistent with the goal of the Authority to assure the health and safety of the inhabitants of the Base, the Executive Director declared an emergency and with the consent of Golden Gate executed an amendment to the contract with Golden Gate to extend the term for 30-days under the same terms and conditions of the existing contract. This emergency extension expired on September 30, 2005. On October 1, 2005, staff requested and the Board approved a 90 day extension to the term of the contract to complete preparations for a competitive process to secure refuse collection services for Treasure Island.

The competitive process to secure refuse collection services for Treasure Island in accord with TIDA Rules and Procedures governing the Purchase of Goods and Services by the Authority is not complete. Substantive issues raised by prospective respondents at the presubmittal meeting of November 30, 2005, have required a review of the proposed

Scope of Services. Staff will need additional time to complete the competitive solicitation for such services. Staff anticipates completing the competitive solicitation process by April 30, 2006. In the meantime, Golden Gate is willing to extend its services to the Authority through April 30, 2006, under the same terms and conditions of the current contract.

RECOMMENDATION

Staff recommends Board approval of the extensions to ensure that the 3,000+ residents of Treasure Island continue to receive refuse collection and disposal services through April 30, 2006. This will assure that household refuse from such residents and the refuse from the commercial and office tenants and occupants (including food and other bio-waste products) will not accumulate, potentially attracting pests and causing other health and safety concerns for all occupants and users of Treasure Island and Yerba Buena Island.

[Making emergency findings and authorizing an additional extension of such contract with Golden Gate Disposal & Recycling Company to April 30, 2006]

Resolution Authorizing an Additional Extension of Contract with Golden Gate Disposal for Refuse Collection Services at Treasure Island to April 30, 2006

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America ("the Federal Government"); and,

WHEREAS, Treasure Island was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments; and,

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (1) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the Authority to administer the public trust for commerce, navigation and fisheries as to such property; and,

////

1 WHEREAS, Under the Act and the Authority's Articles of Incorporation and Bylaws, the
2 Authority, acting by and through its Board of Directors (the "Board"), has the power, subject to
3 applicable laws, to enter into agreements or contracts for the procurement of goods and
4 services related to the activities and purposes of the Authority; and,

5 WHEREAS, On March 11, 1998, the Board passed Authority Resolution No. 98-09-
6 3/11, adopting and approving the Rules and Procedures Governing the Purchase of Goods
7 and Services (the "Purchasing Rules") by the Authority; and,

8 WHEREAS, The Purchasing Rules require that except under certain conditions, all
9 purchasing transactions be conducted in a manner that provides maximum open and free
10 competition consistent with the Purchasing Rules; and,

11 WHEREAS, The current contract with Golden Gate Disposal & Recycling Company
12 ("Golden Gate") for refuse collection services was scheduled to expire on September 1, 2005,
13 and in order to ensure that refuse continued to be collected in a manner consistent with the
14 health and safety of the inhabitants of the Base, the Executive Director declared an
15 emergency and executed an amendment to the contract with Golden Gate to extend its term
16 for 30-days under the same terms and conditions of the existing contract; and,

17 WHEREAS, The Board authorized an amendment to the contract with Golden Gate to
18 extend its term for 90-days under the same terms and conditions of the existing contract; and,

19 WHEREAS, Staff has prepared a request for qualifications for refuse collection
20 services in accordance with the Purchasing Rules but will need additional time to complete
21 the competitive solicitation for such services; and,

22 WHEREAS, Golden Gate is willing to further extend its contract to April 30, 2006 under
23 the same terms and conditions of the existing contract to allow the Authority to complete its
24 competitive solicitation process; now therefore be it

25 RESOLVED, That the Authority hereby finds and determines as follows:

1 1. The contract with Golden Gate was approved by the Board on August 18, 1999 by
2 Resolution No. 99-28-8/18.

3 2. The contract would have expired on September 1, 2005 unless extended.

4 3. Because this Board did not meet during the month of August, 2005, and its next
5 meeting following the month of August is September 14, 2005, the Executive Director
6 declared an emergency and extended the contract 30 days.

7 4. The Purchasing Rules require competitive solicitation of contracts except under
8 certain limited conditions, and on September ___, 2005, the Authority Board of Directors
9 approved an extension of the contract to January 31, 2006.

10 5. The Authority will need until April 30, 2006 to complete the competitive solicitation
11 for refuse collection services, and Golden Gate has indicated its willingness to further extend
12 its contract until April 30, 2006 under the same terms and conditions of its existing contract.

13 6. If the contract is not extended, refuse collection and disposal for the approximately
14 3,000 residents and occupants of Treasure Island and Yerba Buena Island (including the
15 Authority's offices) will stop on January 31, 2006, and the household refuse from such
16 residents and the refuse from the commercial and office tenants and occupants (including
17 food and other bio-waste products) will accumulate, potentially attracting pests and causing
18 other health and safety concerns for all occupants and users of Treasure Island and Yerba
19 Buena Island.

20 FURTHER RESOLVED, That notwithstanding the requirements of the Purchasing
21 Rules, the Authority hereby authorizes the Executive Director to enter into an additional
22 amendment to the contract with Golden Gate to further extend the term of the contract to April
23 30, 2006 under the same terms and conditions of the current contract. The form of such
24 additional amendment shall be in substantially the form attached hereto as Exhibit A.

25 ////

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on January 23, 2006.

Susan Po-Rufino, Secretary

THIRD AMENDMENT TO REFUSE COLLECTION AGREEMENT

THIS THIRD AMENDMENT TO REFUSE COLLECTION AGREEMENT (this "Amendment") is made as of this twenty-third day of January, 2006, in San Francisco, California, by and between the **Golden Gate Disposal & Recycling Company**, a California corporation ("Golden Gate" or "Contractor"), and the **Treasure Island Development Authority**, a public body corporate and politic (the "Authority").

RECITALS

WHEREAS, Authority and Contractor have entered into that certain Refuse Collection Agreement dated September 1, 2002 (hereafter, the "Agreement"); and

WHEREAS, on August 25, 2005, the Authority and Contractor entered into an amendment to the Agreement (hereafter, the 1st Amendment) to extend the term of the Agreement to September 30, 2005, and

WHEREAS, on October 1, 2005, the Authority and Contractor entered into another amendment to the Agreement (hereafter, the 2nd Amendment) to extend the term of the Agreement to January 31, 2006, and

WHEREAS, The Authority and Contractor desire to modify the Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, Contractor and the Authority agree as follows:

1. Modifications to the Agreement. The Agreement is hereby modified as follows:

(a) Section 5. Section 5 of the Agreement currently reads as follows:

Unless further extended in writing authorized by the Authority's Board of Directors, this Contract shall expire on January 31, 2006. Any extension shall be on the same terms, conditions, and specifications as the original Contract, except as provided for herein.

Such section is hereby amended in its entirety to read as follows:

Unless further extended in writing authorized by the Authority's Board of Directors, this Contract shall expire on April 30 2006. Any extension shall be on the same terms, conditions, and specifications as the original Contract, except as provided for herein.

2. Effective Date. Each of the modifications set forth in Section 1 shall be effective on and after February 1, 2006.

3. Legal Effect. Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and Authority have executed this Amendment as of the date first referenced above.

AUTHORITY

Treasure Island Development
Authority, a public body corporate
and politic

By _____

Joanne Sakai, Deputy Executive Director,
San Francisco Redevelopment Agency on
behalf of the Treasure Island Development
Authority

Dennis J. Herrera

City Attorney

By _____

Deputy City Attorney

CONTRACTOR:

**Golden Gate Disposal & Recycling Company, a
California corporation**

By signing this Agreement, I certify that I comply with
the requirements of the Minimum Compensation
Ordinance, which entitle Covered Employees to certain
minimum hourly wages and compensated and
uncompensated time off.

TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
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**Draft Minutes of Special Meeting
Treasure Island Development Authority
January 23, 2006**

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City Hall, Room 408
1 Carlton B. Goodlett Place
San Francisco, CA

1. Call to Order: 1:35 PM

Roll Call Present: Claudine Cheng (Chair)
Susan Po-Rufino (Vice-Chair)
Jesse Blout
Jared Blumenfeld
John Elberling
Matthew Franklin
Marcia Rosen

Excused: Supervisor Chris Daly

2. Report by Deputy Executive Director of the San Francisco Redevelopment Agency
There was nothing discussed under this item

3. Report by the Mayor's Office of Base Reuse and Development
Mr. Michael Cohen, Mayor's Office of Base Reuse and Development

4. Communications
There was no discussion of any of the communications received by the Board

5. Report by the Treasure Island/Yerba Buena Island Citizen Advisory Board
There was no presentation by the CAB at this meeting

6. Ongoing Business by Directors
There was no ongoing business discussed by Directors

7. General Public Comment.

Mr. Scott Donahue presented his idea for a Statue of Unity sculpture to be placed on the redeveloped Treasure Island. He has previously had sculptures commissioned for the Taraval Police Station and the Millbrae BART station. The proposed sculpture would be a West Coast counterpart to the Statue of Liberty, 305 feet tall and made of stainless steel with stained glass windows and surrounded by redwoods. LED lights would illuminate the windows at night. The sculpture is a composite of people of many ethnicities and historic backgrounds.

Mr. Ethan Silva spoke in support of the Statue of Unity proposal. Stated he has been involved in many civic art projects, most recently the fabrication of Cloud Gate at Chicago's Millennium Park. Stated the Statue of Unity proposal would provide a signature piece for a redeveloped Treasure Island. The Cloud Gate has had a strong impact on the sense of community in Chicago, and the Statue of Liberty could be a similar icon for the Bay Area.

Mr. Greg Harper spoke in support of the Statue of Unity proposal. Stated that the sculpture would be something which the entire community could be excited about and become involved with. Major fundraising would need to be done, this effort could prove to be popular as well. Stated that fundraising could involve the entire Pacific Rim and be a diplomatic effort for the City of San Francisco.

Mr. Harvey Sherback spoke in support of increasing solar panels on Treasure Island and the gains to be made by expanding solar power generation on the Island. Encouraged the Board to look into selling this power through Community Choice Aggregation. Encouraged the Board to work with the CA Public Utilities Commission's California Solar Initiative in planning development.

Director Cheng asked what the process was for consideration of various projects and proposals that come before the Board.

Deputy City Attorney Choy stated that any proposals that interest the Board can be followed up on by the Board.

8. Consent Agenda

There was no public comment on the Consent Agenda

Director Blout motioned for approval of the Consent Agenda

Director Cheng seconded the motion

The Consent Agenda was approved 6 – 0, with one abstention

Ayes: Cheng, Po-Rufino, Blout, Blumenfeld, Elberling, Franklin

Noes: None

Abstain: Rosen

9. Presentation of Draft Community Facilities Plan

Mr. Jack Sylvan, Mayor's Office of Base Reuse, stated this plan is meant to identify the range of facilities needed based on feedback from the Board and the public, in order to make assumptions about cost of such facilities. The CAB was presented with this plan recently and will provide feedback on this item at a future meeting.

Ms. Bethany Fischer, Treasure Island Community Development, presented the draft Community Facilities Plan. The goal of the presentation is to provide an outline for the community elements of the plan that assure an integrated and active community. Also hope to continue partnership with the existing service providers on the Islands. The assumptions were based on the existing land use plan and preliminary demographic studies. One key factor of the demographic analysis is households with and without children, and there are a relatively high percentage of households with children. The goal with community facilities is to create something for everyone while also integrating communities.

Director Blumenfeld stated it would be interesting to see a demographic comparison of the San Francisco Bay Area to the projections for Treasure Island.

Director Rosen stated that it appears the estimates call for a larger percentage of children than what is currently the percentage in San Francisco, asked what these projections are based on. Ms. Fischer stated these projections are based on existing populations, future projections of populations; anticipate more younger families living in homes on Treasure Island compared to other parts of the Bay Area.

Director Franklin stated that the tenure split on the housing is almost inverse to what is currently the split in San Francisco for owning versus renting. Stated that this appears to be an admirable goal and something to keep in mind when discussion unit sizes.

Director Elberling asked if there were more analysis details available on the demographic projections. Stated that the break between affordable housing and market rate housing is going to be larger than anticipated. Stated that the issue of unit size has not been pinned down yet for the affordable housing side. Stated that an update of the affordable housing plan is needed before the term sheet is presented.

Ms. Fischer continued that guiding principles surrounding the community facilities plan are promoting public safety, using sustainable energy, an integrated community, having something for all different types of people and families, creating healthy lifestyles, celebrating the arts, opportunities to learn from the land and providing a place for Bay Area residents to play. Stated facilities planned include public service, recycling and utility facilities, community facilities including TIHDI space, youth and senior centers and community rooms throughout the Island.

Director Blumenfeld asked what the Board role was in regards to this presentation and this aspect of the plan.

Mr. Sylvan stated that this presentation is the basis for the process of putting figures into the pro forma based on the decisions on what actual facilities will be built on the Island. Discussion is to be based on proposals for location and size and operational needs of these actual facilities.

Director Blout stated the point is everything has a cost. Each of these facility items has a cost associated with it, and when you make decisions about one item it has an impact on another item elsewhere. There needs to be a better sense of the cost magnitudes of these presentations.

Director Rosen stated that these proposed facilities and functions will have both capital and operating expenses. Stated she interprets this plan as it shows the elements of a healthy sustainable community and it is the task of TICD and staff to come up with the proposal of how to incorporate these items as well as the type of operator and how it would play into the proforma or the operating budget over all.

Director Blumenfeld stated that there will eventually have to be a prioritization of the proposed functions and facilities in order to serve the greatest percentage of the community.

Mr. Sylvan stated that these facilities do not always have to mean additional up front capital, they could be in ground floor locations and in residential areas. There are facilities which can fit in as to not cost the project more money.

Director Cheng asked what discussions have been had with the Job Corps; there are many references to partnership and cooperation with the Job Corps.

Mr. Sylvan stated staff is pursuing conversations with the Department of Labor and understands that buy-in would be needed from the Department of Labor as well as the operator, ResCare. This proposal indicates preferred methods for utilization of community resources, but the project will have to include many of these facilities regardless.

Director Franklin asked what the big picture was for the presentation today.

Mr. Sylvan stated that the goal today was to identify physical spaces for community facilities and provide a proposal for the type of community facilities necessary. Staff is looking for feedback on things the Board may think are missing as they go into cost analysis.

Ms. Fischer continued that Building 1 is anticipated to house many of these community facilities. There are opportunities for community serving retail which is lacking currently, community communication methods such as message boards, community bicycle facilities, health and wellness facilities, the TIHDI job broker office, and community gardens.

Director Blumenfeld stated that it would be helpful in the next draft if facilities, such as bicycle storage, that tied back into other elements, such as the transportation plan, were discussed in relation to one another.

Ms. Fischer continued that for schools there is a proposed K-8 school on the Island, there is currently the Life Learning Academy as well as the child care center.

Director Blumenfeld asked what the alternative plan was should the School District decide not to return to Treasure Island.

Mr. Sylvan stated that the projections for K-8 students for redevelopment are high enough that a school makes sense on the Island in order to attract families, also makes sense for transportation issues. There are conversations going on with the School District.

Ms. Fischer continued that an environmental education center is envisioned, as well as opportunities to house the Treasure Island Museum, the creation of an art park on the western edge of the Island, and an urban farm at the center of the Island.

Director Po-Rufino asked if any research has been done in regards to her previous suggestion of an aqua-culture farm.

Ms. Fischer stated they can look into that in more detail.

Director Blumenfeld asked if there was a stage before the pro forma if a detailed analysis of art park concepts would be provided the Board.

Mr. Sylvan stated that level of detail was not anticipated for the term sheet. Location and funding opportunities have been discussed but not the operational end of things.

Director Franklin stated it is important to have a conversation about the level of detail the term sheet should get to. There could be commitments at least to square footage for various uses at the term sheet level that were deemed important. Stated he feels there should be a need for more numbers and science.

Mr. Sylvan stated there are components to this that will have more detail by the term sheet. The project may change after the term sheet, and thus some of these commitments can be placeholders.

Director Franklin stated he views the term sheet as a specification of what the public benefit is, stated he is trying to understand what that return is. Stated this is arguably one of the most important aspects of the plan and as a result some level of specificity is needed. Stated a good understanding of how the demographics were arrived at is needed,

Ms. Fischer stated the last groups of facilities are recreational facilities. There is a Great Park plan for Treasure Island, including sports fields for baseball and soccer, residential parks, tennis and basketball courts, the beach at Clipper Cove, Yerba Buena Island hiking trails, the Treasure Island Sailing Center, and areas to access the Bay. Stated that as part of the project the Job Corps presents an opportunity for synergy and integration that will be mutually beneficial.

Director Rosen thanked Ms. Fischer for responding to comments from the Board about translating a land use plan into a community ensuring an integrated community with social equity. This is the beginning of an important process. Stated that the last element of the report talks about phasing. Stated that closer attention should be paid to community building on a block by block basis and there may be some things central to the development of Building 1 or the Urban Core. What are the facilities that should be centralized due to being Island-wide and what are the other elements that support community building and should be represented throughout the neighborhoods. Stated she would like to see work done looking at home-based family day care in addition to center-based child care. Stated that the City has a child care planning process and staff should plug into that for needs analysis and planning. Stated that the neighborhood library should enhance the educational opportunities of the school planning. This should also include a community computer center. Asked if any consultation has been done with the Department of Public Health over the matter of a health clinic.

Mr. Sylvan stated that there has not been consultation yet but it is a good idea, as is consulting with the City over child care planning.

Director Rosen stated in regards to the school her private dream is to have a laboratory school at Treasure Island focusing on sustainability and design issues and get support to leverage resources. This is a concept that would need to get started at the public agency level. Stated that

one of the features in the previous land use plan which is not called out specially but could be incorporated is having a nursery on the Island for the growth of landscaping for the Island as well as landscaping in the City. Stated that a native plant nursery may be a good idea as an aspect of the urban farming portion of the Island. Stated she would like to see an even distribution of these community facilities in the market rate developments and the affordable housing developments.

Director Cheng stated it appears there is only one reference to the medical/dental facility incorporated to the Job Corps. Stated this type of facility should be addressed in the first Phase, there are medical emergencies and since a large population is planned this facility should be addressed in Phase 1.

Director Blumenfeld stated that the Board does need to revisit the housing element. Stated it was his idea that there would be integration of the affordable and market rate units and it light of the new land use plan it would help to see this element revisited. Stated he concurs with the nursery idea. Stated the Board needs to consider how feasible each of these various facilities is and the planning that goes along with this. There is a question of what can be achieved with the resources available. The detail about the project is what will sell it, and the proposals need more depth in order to make it work realistically.

Director Elberling asked for the updated housing analysis to identify demographics such as families, senior housing and others.

Public Comment

Ms. Ruth Gravanis stated that there are many exciting components to this plan. Stated it would be useful to spell out which aspects are visitor serving and how to get visitors to use them. This invites an iterative process with the transportation plan. Stated that the wastewater treatment plants at a tertiary level are often called water recycling plants. Stated there is not enough in here about honoring the cultural history of the Islands, Building 1 is a fantastic example of art deco architecture. Yerba Buena Island is hardly mentioned at all, including the Great Whites and the Admirals Housing and the Torpedo House. Very happy that Director Rosen mentioned the plant nursery.

Ms. Sherry Williams, TIHDI Executive Director, thanked the Directors for their consideration of this issue. Making sure that there are facilities affordable and accessible to all will be critical to making this plan work. Stated this plan does not include the community facilities that are already established such as the gym and child care. It would be helpful to tie the demolition and replacement of these community facilities into the phasing plans. Stated that unless there is a written concurrence from the Department of Labor nothing can be assumed for integration with the Job Corps.

10. Settlement Agreement Between TIDA and the United States Navy for Outstanding Common Area Service Charges

Mr. Marc McDonald, TIDA Facilities Director, stated that the item before the Board is a settlement for outstanding charges incurred by TIDA between 1997 and 2000. The initial claim

was for \$1.375 million. Negotiations with the Navy have come to an assessment that the fair amount due is approximately \$872,000. Requesting that the Board authorize the Executive Director to agree to this amount.

Director Cheng asked about the source of payment of the additional \$450,000 not currently budgeted for CAM payments.

Mr. McDonald stated this has been budgeted for over a two year period.

There was no public comment on this item

Director Rosen motioned for approval of the item

Director Blout seconded the motion

The item was approved unanimously

11. Extension of the Refuse Collection Contract with Golden Gate Disposal

Mr. Marc McDonald, TIDA Facilities Director, stated the request for extension of the contract is for an additional 90 days. Staff is in the process of issuing an RFP for refuse disposal on the Island. Based on specific questions that came out of the pre-bid conference, staff has had to go back and revise the specifications and issue another request for qualifications which will take approximately 90 days.

There was no public comment on this item

Director Blumenfeld motioned for approval of the item

Director Po-Rufino seconded the motion

The item was approved unanimously

12. Closed Session for Conference with Real Property Negotiator

There was no public comment on this item

Director Blout motioned to hold a closed session

Director Blumenfeld seconded the motion to hold closed session

The Board voted unanimously to enter closed session on this item

The TIDA Board went into closed session at 3:15 PM

The TIDA Board returned from closed session at 4:08 PM

Director Rosen motioned not to disclose the closed session discussion under Item 12

Director Franklin seconded the motion

The Board voted unanimously to not disclose the closed session discussion under Item 12

13. Discussion of Future Agenda Items

There was no discussion of future agenda items

14. Adjourn

Director Cheng motioned for adjournment

The meeting was adjourned at 4:10 PM



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NOTICE OF CANCELLED MEETING

TREASURE ISLAND DEVELOPMENT AUTHORITY

NOTICE IS HEREBY GIVEN that the regular meeting of the Treasure Island Development Authority scheduled for Wednesday, February 8, 2006 at 1:30 pm at 1 Dr. Carlton B. Goodlet Place, Room 400, City Hall, San Francisco, California, has been **Cancelled**.

The next regularly scheduled Authority meeting will be held on March 8th, 2006.

Treasure Island Development Authority

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Disability Access

The Treasure Island Development Authority holds its regular meetings at San Francisco City Hall. City Hall is accessible to persons using wheelchairs and others with disabilities. Assistive listening devices are available upon request. Agendas are available in large print. Materials in alternative formats and/or American Sign Language interpreters will be made available upon request. Please make your request for alternative format or other accommodations to the Mayor's Office on Disability 554-6789 (V), 554 6799 (TTY) **at least 72 hours** prior to the meeting to help ensure availability.

The nearest accessible BART station is Civic Center Plaza at the intersection of Market, Grove, and Hyde Streets. The accessible MUNI Metro lines are the J, K, L, M, and N (Civic Center Station or Van Ness Avenue Station). MUNI bus lines serving the area are the 47 Van Ness, 9 San Bruno, and the 6, 7, 71 Haight/ Noriega. Accessible curbside parking is available on 1 Dr. Carlton B. Goodlett Place and Grove Street. For more information about MUNI accessible services, call 923-6142.

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The ringing of and use of cell phones, pagers, and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing or use of a cell phone, pager, or other similar sound-producing devices.

Lobbyist Ordinance

Individuals and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Campaign and Governmental Code 2.100] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 30 Van Ness Avenue, Suite 3900, San Francisco, CA 94102, telephone (415) 581-2300, fax (415) 581-2317 and web site <http://www.sfgov.org/ethics/>.

KNOW YOUR RIGHTS UNDER THE SUNSHINE ORDINANCE

(Chapter 67 of the San Francisco Administrative Code)

Government's duty is to serve the public, reaching its decision in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance or to report a violation of the ordinance, contact Adele Destro by mail to Interim Administrator, Sunshine Ordinance Task Force, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco CA 94102-4689; by phone at 415 554 7724; by fax at 415 554 7854; or by email at sotf@sfgov.org.

Citizens interested in obtaining a free copy of the Sunshine Ordinance can request a copy from Ms. Destro or by printing Chapter 67 of the San Francisco Administrative Code on the Internet, <http://www.sfgov.org/sunshine/>



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NOTICE OF SPECIAL MEETING

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TREASURE ISLAND DEVELOPMENT AUTHORITY

NOTICE IS HEREBY GIVEN that a special meeting of the Treasure Island Development Authority will be held on Wednesday, February 22, 2006 at 1:30 pm at 1 Dr. Carlton B. Goodlett Place, Room 400, City Hall, San Francisco, California.

Treasure Island Development Authority

Disability Access

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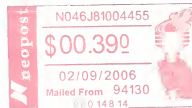
Treasure Island Development Authority

1000 Avenue of Palms, Building 1, 2nd Floor

Treasure Island

San Francisco, CA 94130

Ms. Susan Horn
Government Info Center
Main Library
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San Francisco CA 94102



Regular meetings of the Treasure Island Development Authority are held the 2nd Wednesday of each month at 3:30 p.m. in Hearing Room 400 in City Hall, 1 Dr. Carlton B. Goodlett Place. The next regular meeting is on Wednesday, March 8, 2006.

Additional supporting material is available for public viewing at the Treasure Island Development Authority office, 410 Palm Avenue, Treasure Island and at the Government Information Center reference desk, Main Library, Civic Center.

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TREASURE ISLAND DEVELOPMENT AUTHORITY
SPECIAL MEETING AGENDA

February 22, 2006 1:30 P.M.

Room 400, City Hall
1 Dr. Carlton B. Goodlett Place

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Gavin Newsom, Mayor

FEB 18 2006

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DIRECTORS

Claudine Cheng, Chair
Susan Po-Rufino, Vice-Chair
Jesse Blout
Jared Blumenfeld

John Elberling
Matthew Franklin
Marcia Rosen
Supervisor Chris Daly (*ex-officio*)

Peter Summerville, Commission Secretary

ORDER OF BUSINESS

1. Call to Order and Roll Call
2. Report by the Deputy Executive Director of the Redevelopment Agency, including update on staff implementation of certain Controller's recommendations (*Discussion Item*)
3. Report by Mayor's Office of Base Reuse and Development (*Discussion Item*)
4. Communications (*Discussion Item*)
5. Report by the Treasure Island/Yerba Buena Island Citizen's Advisory Board (*Discussion Item*)
6. Ongoing Business by Directors (*Discussion Item*)
7. General Public Comment (*Discussion Item*) ***In addition to General Public Comment (Item #7), Public Comment will be held during each item on the agenda.***

8. CONSENT AGENDA

All matters listed hereunder constitute a Consent Agenda, are considered to be routine by the Treasure Island Development Authority Board and will be acted upon by a single vote of the Authority Board. There will be no separate discussion of these items unless a member of the Authority Board so requests, in which event the matter shall be removed from the Consent Agenda and considered as a separate item.

- a.) Approval of Minutes of January 11, 2006 Regular Meeting and January 23, 2006 Special Meeting (*Action Item*)
- b.) Resolution Authorizing the Executive Director to Execute the Fifth Amendment to the Sublease with the San Francisco Little League to Retroactively Extend the Term for Use of the Little League Field to December 31, 2006 (*Action Item*)
- c.) Resolution Authorizing the Executive Director to Retroactively Extend the Term of the Use Permit with Laura Bertone of PAX Fluid Systems for Use of a Portion of Pier One Through May 31, 2006 (*Action Item*)
- d.) Resolution Authorizing The Executive Director To Retroactively Amend the Month-To-Month Sublease With The Treasure Island Sailing Center at Pier 11, Pier 12 and Adjacent Areas to Extend the Term Up to December 31, 2006 (*Action Item*)
- e.) Resolution Authorizing the Executive Director to Retroactively Amend the Sublease with the Delancey Street Foundation to Extend the Term of the Sublease to December 31, 2006 (*Action Item*)
- f.) Resolution Authorizing the Executive Director to Retroactively Enter Into a 12 Month Sublease with the Glide Foundation for the Use of Building 265 (*Action Item*)
- g.) Authorizing The Executive Director To Amend The Sublease With Island Creative Management Inc. For Building 2 to Retroactively Extend The Term up to December 31, 2006 And to Increase The Rent By 3% To \$19,058.34 Per Month (*Action Item*)

9. Presentation of Draft Phasing Plan (*Discussion Item*)

- 10) Resolution Amending the Bylaws of the Treasure Island Development Authority to Require the Authority Board of Directors to Hold At Least Two Special Meetings on Treasure Island Per Calendar Year (*Action Item*)

11. Voice of the Pentecost Notice of Termination of Sublease (*Discussion Item*)
12. Resolution Authorizing the Executive Director to Execute a No-Fee Use Permit with the Treasure Island Job Corps for Use of the Building One Lobby Space for the Purpose of Holding a Job Faire (*Action Item*)

13. POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators. (*Action item*)
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Persons negotiating for the Authority: Michael Cohen, Jack Sylvan, Joanne Sakai
Persons negotiating with the Authority: United States Navy, Treasure Island Community Development, LLC
Property: Former Naval Station Treasure Island
Under Negotiation:
Price: _____ Terms of payment: _____ Both: X

- d. Reconvene in open session (*Action item*)
- i. Possible report on action taken in closed session under Agenda Item 13 (Government Code section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)
- ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

14. POSSIBLE CLOSED SESSION

If approved by the TIDA Board, this Closed Session item will take place for approximately 30 minutes at the end of the meeting

- a. Public Comment on all items relating to closed session
- b. Vote on whether to hold closed session to confer with real property negotiators. (*Action item*)
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Persons negotiating for the Authority: Marc McDonald, Joanne Sakai
Persons negotiating with the Authority: American Civil Constructors
Property: Former Naval Station Treasure Island
Under Negotiation:
Price: _____ Terms of payment: _____ Both: X
- d. Reconvene in open session (*Action item*)

i. Possible report on action taken in closed session under Agenda Item 14 (Government Code section 54957.1 (a) (1) and San Francisco Administrative Code Section 67.12)

ii. Vote to elect whether to disclose any or all discussions held in closed session (*San Francisco Administrative Code Section 67.12*).

15. Discussion of Future Agenda Items by Directors (*Discussion Item*)

16. Adjourn

Relevant documents such as resolutions, staff summaries, leases, subleases are available at the Treasure Island Development Authority Office, 410 Avenue of the Palms, Building 1, Treasure Island, and the Government Information Center at the Main Library, 100 Larkin Street. Public comment is taken on each item on the agenda.

Disability Access

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CITY & COUNTY OF SAN FRANCISCO

TREASURE ISLAND DEVELOPMENT AUTHORITY
410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

To: Joanne Sakai

From: Marc McDonald

Re: Market Rate Analysis

Date: February 16, 2006

Below is a summary analysis of the position of Treasure Island product in the marketplace. The information is based on conversations with real estate brokers in San Francisco and the East Bay.

The consensus of the real estate professionals is that the buildings on Treasure Island are not marketable.

Legal Impairments

TIDA's position as a tenant of the Navy only allows TIDA to sublease the property to the general market. The potential user's position as a subtenant is an impairment on value.

The Navy's unrestricted right to reenter the property without compensation to the subtenant is impairment on value.

TIDA offers potential subtenants a month-to-month tenancy with a maximum term of one year. The maximum term is available only if the subtenancy commences on the same date the TIDA tenancy is renewed. Otherwise, the maximum potential subtenancy is reduced by one each day of the TIDA tenancy.

Product Condition:

The product condition ranges from poor to shabby to uninhabitable. Due to deferred maintenance roofs leak, buildings contain mold, floors are in need of repair, electricity is unavailable, water utilities are broken, buildings contain no heat, buildings are infested with vermin, telecommunications are not easily available, windows are broken.

The buildings might be suitable for "dirty" industrial use if the tenant is willing to make significant repairs and improvement, however the term of years available to potential tenants is inadequate to amortize the investment required to make the buildings inhabitable or competitive.

Design

The general industrial, warehouse/distribution product is obsolete. General industrial, warehouse/distribution product requires dock-hi loading or drive-in ability. There are no dock-hi facilities on Treasure Island. Drive-In opportunities in non-hangar facilities are unavailable due to inadequate door size and inadequate distance between columns.

The product is older stock. It was built between 1940 and 1960 and not modernized to current industrial standards. Drive-in doors are "Barn door" design, not roll-up, column span is limited to 12 feet, a maximum of two truck doors per side is available on Treasure Island.

Access --

Freeway entrances and exits are available 24 hours a day and within one mile. The island is quiet and secure. A residential community with a skilled workforce is within ¼ mile. All of these factors are positive. However, access and departure from the island are difficult, dangerous and not suitable for 16 wheelers, tandem trailers and heavy loads.

Costs:

Common Area Costs are low - \$0.0025 for landscape, \$0.035 for buildings.

Utility Costs are reasonable.

Capital requirements are substantial.

Potential comparables.

Hangars:

Alameda

Alameda Naval Air Station is subject to a 50 year Lease in Furtherance of Conveyance. Staff reports that they are able to sublease for term of up to 30 years in exchange for improvements to the buildings. This provides them a significant competitive advantage over Treasure Island.

Hangar Rental rates range from \$0.24 psf /mo. to a high of \$0.47 psf/mo. Based on build out and term. Maximum term available is 30 years for significant build out. Shorter terms for built-out space pay premium price.

Mare Island

East Bay

Oakland

Two industrial buildings found on Mandela Parkway. Metal industrial buildings of 300,000+ sq. ft. with yard. Prior use as scrap metal sort and rendering facilities. Functional office, telecommunications and restrooms. Cost - \$0.20 to \$0.27 psf/mo. Terms range from 5 years

with options vested in the tenant to 7 and 10 years. Free rent to offset moving and improvement costs are also available.

San Francisco
Bayview/Hunters Point

No comps

South Bay
No Comps



AUDIT FINDINGS TO BE INITIATED BY STAFF ACTION
Progress as of February 13, 2006

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
1. Work with the Controller's Office to ensure the appropriate accounts are used to record the asset and liability of refundable deposits, the insurance premium collections, and the revenue sharing agreement with TIHDI.	Established work order with Controller's Office. Met with Frances Lee and assigned team at Controller's Office on February 10, 2006. Controller's Office began work on February 13, 2006.
2. Review all financial transactions for the past two fiscal years and make all appropriate adjustments to accounting entries.	Done. Additional entries may be necessary if Controller's Office recommends alternative or additional software.
3. To prepare for the eventual implementation of the Tidelands Trust and the possible implementation of the No-Cost EDC, review its expenditures for compliance with the provisions of both mandates.	As these compliance requirements will not take effect until transfer of property from the Navy which is not expected prior to 2007, staff recommends establishing this as a priority for the FY 06-07 workplan.
4. Establish accounting procedures that comply with generally accepted accounting principles and represent strong internal controls. Conduct periodic spot checks of processed invoices to ensure that it is routinely following its established procedures for processing invoices, including procedures for signatures and timely payment.	Established work order with Controller's Office. Met with Frances Lee and assigned team at Controller's Office on February 10, 2006. Controller's Office began work on February 13, 2006.

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
<p>5. Negotiate payment plans with the PUC and the Navy to settle the outstanding debts, submit the plan to the board for approval, make payments according to the approved plan, and begin remitting timely payment for future PUC billings as they are received.</p>	<p>Settlement with Navy approved by Board on January 23, 2006; payment due under settlement made. Additional payments due under settlement to be reflected as liabilities until paid.</p> <p>Staff to request reconciliation of charges and explanation of methods of calculation from PUC, which has requested \$1.1M for FY 06-07 budget, as well as supplemental request for FY 05-06.</p>
<p>6. Identify and make a list of all interim subleases that currently include a CAM charge provision and ensure that the provision is deleted from future amendments to the subleases. Determine if the provision should be replaced with a similar provision for the utility maintenance services provided by the PUC.</p>	<p>Because CAM charges reflect actual utilities charges, even if no longer payable to the Navy, staff is working on replacement provision to be sure TIDA recovers these costs from tenants. Coast Guard and Job Corps notified that 15% discount on utilities will no longer apply as of April 1, 2006.</p>
<p>8. Direct TIDA management to improve the TIDA website by providing additional information about event venues, such as additional photos and virtual tours; a calendar of available dates, and a web-based application process.</p>	<p>Direct link from TIDA website to existing virtual tour of Casa added. Applications and Casa floor plan can be downloaded online.</p>
<p>9. Direct TIDA management to coordinate with the Mayor's Office of Base Reuse to develop an annual work program that identifies specific projects to be completed each year, including expected outcomes (i.e., work products) and who is responsible. The work program should focus on projects to maintain current operations, as well as those that will facilitate the transfer of ownership from the Navy.</p>	<p>Office of Base Reuse and Development has prepared preliminary draft of FY 06-07 goals for redevelopment planning activities, which will act as the work plan for TIDA.</p>

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
10. Designate an individual to be responsible for monitoring compliance with the terms of the lease agreements and establish procedures to ensure that the monitoring is performed. The procedures should include a requirement to report the results of monitoring to the TIDA Board of Directors on a monthly or quarterly basis.	Monthly rent roll will be added to Board packets in March 2006. Lease abstract forms developed and being completed. Leasing coordinator to monitor general compliance; finance director to monitor rent and other payment obligations.
11. Perform audit procedures on the monthly revenue reconciliation submitted to TIDA by JSC. These audit procedures could include but are not limited to recalculating the monthly revenues, spot inspections on the occupied and unoccupied units, and visual inspection of capital expenditures.	Chief financial officer and leasing coordinator will implement.
12. Formulate a calculation, using the total rental fee and the number of set-up days requested, to determine a fair rental rate that can be used in each case where a set-up day is requested. TIDA should add the fee to the official schedule of event venue rates.	Set-up fee schedule already exists.
13. Develop policies and procedures for at-cost rentals, including instructions for calculating at-cost rates and identifying criteria for when at-cost rentals are allowed.	Draft policy for at-cost rentals in circulation.
14. Obtain information regarding insurance coverage for set-up days and begin requiring event holders to provide insurance coverage for all activities related to special events.	Existing practice to require insurance for set-days and related activities will be continued.

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
15. Establish procedures for calculating deposits for interim subleases and apply the requirement for deposits equitably to all future subleases, whether they are renewals by amendment or new subleases.	Draft procedure for deposits and communication within office in circulation.
16. Establish procedures to ensure that information regarding new or amended subleases is communicated to all appropriate staff to ensure that the correct deposit and rent amounts are collected.	Draft procedure for deposits and communication within office in circulation.
18. Direct TIDA management to implement the Harvey Rose audit recommendation to develop written policies and procedures for fixed asset tracking and monitoring and create an inventory of existing assets.	Staff recommends that this task shall be implemented under the direction of the new director.
19. Determine whether TIDA should or should not keep the Lincoln Aviator. If the TIDA Board of Directors determines that TIDA should not keep the vehicle, it should direct TIDA management on what to do with the vehicle.	Board action taken December 14, 2005. Vehicle purchased. Consignment agreement executed February 13, 2006.
20. Require TIDA management to establish internal controls over use of the fuel key and regularly (e.g., quarterly) review the fuel usage reports to ensure that fuel purchases are reasonable and are only being made for the appropriate TIDA vehicles.	Usage reports to be routed to Executive Director upon receipt.
22. Direct TIDA management to establish written policies and procedures for:	Staff recommends that this task be implemented under the direction of the new director.

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
<ul style="list-style-type: none"> • Evaluating individual purchases to ensure that they are reasonable and related to the interim activities that TIDA is allowed to perform under the master leases with the Navy. • Expense reimbursements, including documentation requirements, who approves reimbursements, expenses that are eligible and ineligible for reimbursement, and guidelines on expense reasonableness. • Travel reimbursements, indicating whether expenses will be reimbursed on a per diem basis, on the basis of actual expenses, or on the basis of actual expenses up to the per diem limit. If per diem rates are included as a part of TIDA's policy, the policies and procedures should clearly indicate the substantiation method and transition rules in accordance with IRS regulations for accountable plans. • Cell phone purchase and use, in keeping with best practices for cell phone policy manuals. At a minimum, the policies should include identification of employees whose job responsibilities necessitate cell phones, rules regarding excess charges, assignment of responsibility for reviewing cell usage, and rules for personal use of phones. 	

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
25. Submit all payroll and CalPERS information for the former director to CalPERS in order to determine the correct treatment of the former director's pension including any contribution amounts that require adjustment and collection of overpayments of pension contributions made for the former director.	Done.
29. Direct TIDA staff to reissue the former director's 2004 form W-2 to reflect the taxable income from fringe benefits and reimbursed expenses as required by the IRS. In addition, the former director's 2005 taxable income from fringe benefits and reimbursed expenses should be included in his form W-2 for 2005.	Done.
30. Direct TIDA staff to report taxable income from fringe benefits and reimbursed expenses in the deputy director's 2005 form W-2, as required by the IRS.	Done.
31. Develop policies and procedures for properly classifying and reporting taxable income for employees to the IRS, or adopt SFRA's procedures.	SFRA procedures apply to all employees under Agency Agreement.
34. Clearly communicate to TIDA staff expectations for employee attendance practices, in accordance with the SFRA employee handbook and the employees' applicable memoranda of understanding (MOUs).	Currently established by SFRA Personnel Policy.

AUDIT FINDING FOR STAFF ACTION (Numbered as listed in Audit)	COMMENTS
<p>35. Create clear lines of responsibility and supervision for TIDA employees contracted through the SFRA to ensure that work schedules and employee leave are appropriately monitored in accordance with the SFRA employee handbook and the employees' applicable MOUs.</p>	<p>Executive Director to review organizational chart.</p>



Dr. David Schrieder

OPTOMETRIST

15001 548-0733 • dr0056@earthlink.net

1735 HEARTLAND DRIVE • BERKELEY, CA 94703

4/20

DETA

CUTTING

CHANGING

Praise TIDC for the great improvement in its new Land Use Plan, and ask the TIDA Board to make sure that the islands receive a correspondingly forward-thinking transportation plan. It should:

- reduce the number of parking spaces, both on- and off-street;
- charge market rates for all parking;
- reduce driving to and from the islands as well as on them, to minimize impacts on the Bay Bridge and its approaches; the message should be: "When you visit the islands, don't bring a car;"
- reduce per-capita car ownership;
- improve and extend bus service;

- include the proposed West Span Pedestrian/Bike/Maintenance Path;
- eliminate unnecessary roads;
- calm traffic (if there must be any);
- provide incentives to use transit; include the cost of transit passes in the cost of housing, and in the cost of hotel rooms



7-20-06

DR

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DR



January 31, 2006



Each Member of the Board of Directors
Treasure Island Development Authority
410 Avenue of the Palms, Building 1, 2nd Floor
San Francisco, CA 94130
Attn: Peter Summerville

Dear President Cheng:

We are disappointed at your decision to remove a position from our union's bargaining unit, without first meeting and conferring with us. We were not approached prior to the subject being placed on your Board Agenda. In fact, we were not fully apprised of the issue until late in day on Friday, prior to a Monday Board meeting.

We made ourselves available to meet with Ms. Rosen preceding the Board meeting. Ms. Rosen acknowledged in that meeting, two hours before you met, that the meet and confer process had not been concluded.

Employers have an affirmative obligation to meet and confer in good faith with unions prior to taking personnel actions affecting represented positions. The requirement to meet and confer in good faith means meeting prior to taking an action and with sufficient time to discuss an issue, answer questions, and respond to proposals. This obligation is at the heart of a functioning union relationship. Acting on matters subject to negotiations without first negotiating would effectively nullify our representation rights and responsibilities as a union. Removing a position from the unit is a mandatory subject of bargaining. In such situations, taking an action without first meeting and conferring in good faith exposes the employer to Unfair Labor Practice charges with the Public Employment Relations Board.

We are generally able to maintain positive productive relationships with employers. We hope to be able to continue that with the Redevelopment Agency and the HDA Board. As such, we recommend a meeting with a group of Board members to discuss how we can ensure that this situation does not recur and how we can address future matters in a more fruitful and timely manner.

Please let us know when a meeting can be arranged.

Sincerely,


Anne Janks
Representative/Organizer

cc: David Novogrodsky, Local 21
Bob Britton, Local 21
SFREA Chapter officers



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Feb 1, 2006

Claudine Cheng, President
TIDA Board of Directors
410 Avenue of Palms
Treasure Island
San Francisco, CA 94130

Dear Claudine Cheng,

I join with the Sierra Club in urging you to create a forward-thinking transportation plan for the Treasure Island development.

Please minimize the need for an automobile to arrive at and move around the island.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dennis Thomas".

Dennis Thomas
147 St. Germain Lane
Pleasant Hill, CA. 94523

TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
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WWW.SFGOV.ORG/TREASUREISLAND



*****Please Note Location*****

Agenda

Treasure Island / Yerba Buena Island
Citizens Advisory Board

Housing & Community Benefits Sub-Committee Meeting

Wanda Barnes, Chair

Jorge Garcia
Mera Gransberg

Natalie Bonnewit
Mike DeLane

Friday February 3, 2006 -- 6:00 p.m.

San Francisco City Hall, Room 034
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

- I. Roll Call
- II. Discussion of the Draft Community Facilities Plan (Action Item)
- III. Future Agenda Items Discussion. (Action Item)
- IV. Announcements from Board members. (Information Item)
- V. Public Comments
- VI. Adjourn

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*****Please Note Location*****

Agenda

Treasure Island /Yerba Buena Island
Citizens' Advisory Board

Tuesday February 7, 2006 -- 6:00 p.m.

**San Francisco City Hall, Room 201
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102**

- I. Roll Call
- II. Approval of the January 10, 2006 CAB Minutes. (Action Item)
- III. TIDA Staff Updates (Information Item):
 - a) Treasure Island Development Authority Board meetings of January 11 & 23, 2006.
 - b) Legislative
 - c) Development Schedule
 - d) Naval Negotiations
 - e) Bay Bridge Update
- IV. Election of the Officers. (Action Item)
- V. Discussion of Draft Land Use and Open Space Plans and Urban Design Concepts. (Action Item)
- VI. Discussion of Draft Transportation Plan. (Action Item)
- VII. Future Agenda Items Discussion. (Action Item)
- VIII. Announcements from Board members. (Information Item)
- IV. Public Comments
- X. Adjourn

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Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review.

For more information on your rights under the Sunshine Ordinance [Chapter 67 of the San Francisco Administrative Code] or to report a violation of the ordinance, contact Donna Hall by mail at Sunshine Ordinance Task Force at City Hall, Room 409, 1 Carlton B. Goodlett Place, San Francisco, CA 94102-4683. The Task Force's telephone and fax numbers are (415) 554-7724 and (415) 554-5163 (fax) or by email at Donna_Hall@sfgov.org. Copies of the Sunshine Ordinance can be obtained from the Clerk of the Sunshine Task Force, the San Francisco Public Library and on the City's website at www.sfgov.org/bdsupvrs/sunshine/ordinance.



Treasure Island/Yerba Buena Island Community

BRAC
PMO WEST

*You Are Invited
to Attend the former Naval Station Treasure Island
Restoration Advisory Board (RAB) Meeting*

RAB meetings provide an opportunity to talk to the Navy and Regulatory Agencies,
ask questions, and provide feedback on the Navy's Environmental Program.

Tuesday, February 21, 2006

Meeting begins at 7:00 pm

Location: Casa de la Vista on Palm Ave., Treasure Island

Included On the Agenda for February:

- Historical Radiological Assessment Findings for TI and YBI
- Update on Environmental Investigation at Halyburton Court
- Site 30 Daycare Center Environmental Study

The Treasure Island RAB meets bimonthly.

Future meetings are scheduled for April 18th and June 20th 2006.

For more information see: www.navybracpmo.org/bracbases/california/treasure_island

V. Discussion of Land Use & Open Space Plans and Urban Design Concepts

The Urban Design Sub Committee met on January 24, 2006 and brought the following comments back to the CAB to be presented to TIDA:

1. Overall the plan has many positive attributes and is a big improvement over the old plan.
2. There were very immediate concerns about emergency response and an evacuation plan of how to get people off the island in case of an emergency. TIDC will have to come up with the plan
3. Overall people were very happy to see many of the aspirations that were discussed over the past 5 years have been addressed. The most noted being the location of the ferry terminal on the west side of the island, creating a visible and very credible connection to San Francisco, which was absent in the previous plan.
4. The increase in density –combined with an increase in population on the island is now addressed in a combination of low, mid and high rise buildings. These buildings are clustered to promote walkability and are located in close proximity to transit, something the previous plan failed to achieve.
5. A few people expressed concern over the architecture of mid-rise residential buildings; what is shown in the plan is not very credible at the moment. Mission Bay is not a good example for mid-rise housing for Treasure Island and there are not many good examples in the U.S. or SF that are a good analogy for what should be on Treasure Island (Kathrin will bring in some European examples)
6. Sub Committee members cautioned that there is a tendency to take the architecture of the plan too literally. The plan is a good plan but it is not as much about architecture as it is about urban design ideas and about place making ideas, not about architecture
7. The shift in the plan geometry, in order to work constructively with the wind, is one of the strongest attributes of the plan. In response to this geometry the plan ends up showing building shapes that the developer needs to examine more closely and bring back some examples of how buildings will really respond to the shift.
8. Sub Committee members and people in the audience asked for 3D animation, so the plan can be better understood by those who don't read plans well. 3D animation is very expensive but people felt asking for it can't hurt.
9. People were very concerned about different view angles from San Francisco to Treasure Island. Of particular concern is the location of the tall building and how it would look from a variety of vantage points when looking from San Francisco over to TI.

10. The Urban Design Sub Committee had a number of issues relating to streets and transportation...are the streets really the type of streets we want; do we have a clear accounting of how much street parking is where; make sure that we don't have continuous curb parking; that we have islands of parking; sidewalk widening and street treatments to foster better pedestrian connections for one side of the street to the other.

11. There was a discussion about historic Building 2; can a historic building be used as a parking structure?

12. Does the plan comply with BCDC guidelines; this question was confirmed as yes.

13. For the long-term vision of the plan in the future, many people believe that the Job Corps is in the wrong location and hinders the development of an optimum neighborhood on TI. Political issues aside, could the Job Corps be relocated somewhere else on the island, and what is the vision of a plan for TI with the Job Corps relocated?

15. Access to the island coming in front of the ferry terminal is a concern, are there alternative ways to not make this choke point?

16. What are the long-term operating cost for high-rise residential buildings compared to low-rise residential for residents...window cleaning, maintenance issues? Are there hidden costs affecting affordability?

17. What is the proportion of market-rate housing in the high-rise residential towers? How are we dealing with the required market rate units in this entire development? *About 30% of the housing will be affordable – with 0-30% AMI being TIHDI's; 60-100% exclusionary housing and the Authority has housing that covers the gap in between*

18. Who will administer the plan? Will the enforcement of Design Guidelines be overseen by TIDA – or Redevelopment Agency staff?

These comments were voted on by the CAB, and it was unanimously agreed that they will be forwarded to the TIDA Board by the Chair.

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 8 (b)

February 22nd, 2006

Subject: Resolution Authorizing the Executive Director to Execute the Fifth Amendment to the Sublease with the San Francisco Little League to Retroactively Extend the Term for Use of the Little League Field to December 31, 2006. (Action Item)

Contact Person/Phone: Joanne Sakai, Interim Executive Director
Marc McDonald, Facilities Manager
(415) 274-0660

SUMMARY OF PROPOSED ACTION:

Staff requests authorization to enter into a Fifth Amendment with the San Francisco Little League to retroactively extend the term to expire on December 31, 2006 for the seasonal use of the Little League Ball Field located at Avenue N and Fourth Street on Treasure Island.

BACKGROUND:

In January 2000, the Authority authorized the Executive Director to execute a sublease with the San Francisco Little League (SFL) for the use of the Little League Ball Field located at 5th Street and Avenue N on Treasure Island. The Authority has since approved four separate amendments, the First on February 14, 2001, the Second on March 14, 2002, the Third on August 13, 2003 and the Fourth on April 14, 2004. This resolution is for the Fifth Amendment and requests authorization to retroactively extend the term through December 31, 2006. The extension allows SFL to continue to use the field as their home field for the Youth Baseball League season.

Under the terms of the original sublease, SFL has been responsible for renovating the field to bring it to playable condition and has since provided the ongoing maintenance of the field. In exchange, SFL receives preferential scheduling of the field and the Authority waives any rental fees. In addition, SFL is required to make the field available for residents such as TIHDI, the Delancey Life Street Learning Academy, the Treasure Island Elementary School, and John Stewart residents. Providing use of the field to the SFL meets one of the Authority's primary objectives during the period of interim management of former Naval Station Treasure Island of using the housing revenues to support programs that provide a substantial public benefit to the community of Treasure Island and the City and County of San Francisco.

RECOMMENDATION:

San Francisco Little League has continued to meet its obligation to maintain the field for all users throughout the entire year. Therefore, staff recommends approval to enter into

the Fifth Amendment with SFL to extend the term retroactively from January 1, 2006 through December 31, 2006.

Exhibits:

A Fifth Amendment to Sublease.

1 [Sublease of Baseball Field to San Francisco Little League]

2 **Resolution Authorizing the Executive Director to Execute the Fifth Amendment to the**
3 **Sublease with the San Francisco Little League to Retroactively Extend the Term for Use**
4 **of the Little League Field to December 31, 2006.**

5 **WHEREAS**, On May 2, 1997, the Board of Supervisors (the "Board") passed
6 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
7 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
8 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
9 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
10 the public interest, convenience, welfare and common benefit of the inhabitants of the City
11 and County of San Francisco; and,

12 **WHEREAS**, Under the Treasure Island Conversion Act of 1997, which amended
13 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
14 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority
15 as a redevelopment agency under California redevelopment law with authority over the Base
16 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
17 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
18 administer the public trust for commerce, navigation and fisheries as to such property; and,

19 **WHEREAS**, The Tidelands Trust prohibits the sale of trust property into private
20 ownership, generally requires that Tidelands Trust property be accessible to the public and
21 encourages public-oriented uses of trust property that, among other things, attract people to
22 the waterfront, promote public recreation, protect habitat and preserve open space; and,

23 **WHEREAS**, In order to facilitate productive reuse and job creation on the Base, it may
24 be beneficial for the Authority to lease or license property from the Navy and, in turn, sublease
25 or sublicense such property to third-parties or use such property for municipal purposes; and,

1 **WHEREAS**, At its December 8, 1999 meeting, the Authority approved a resolution
2 authorizing staff to execute a sublease ("Original Sublease") with the San Francisco Little
3 League ("Subtenant") for the use of a baseball field on Treasure Island (the "Premises"); and

4 **WHEREAS**, The term of the Original Sublease was from January 1, 2000 to March 14,
5 2001; and,

6 **WHEREAS**, On February 14, 2001, the Authority approved the First Amendment to
7 extend the term of the Sublease through March 14, 2002; and

8 **WHEREAS**, On March 14, 2002, the Authority approved the Second Amendment to
9 extend the term of the Sublease through March 14, 2003; and,

10 **WHEREAS**, On August 13, 2003, the Authority approved a Third Amendment to extend
11 the term of the Sublease through March 14, 2004; and

12 **WHEREAS**, On April 14, 2004, the Authority approved a Fourth Amendment to extend
13 the term of the Sublease through December 31, 2005; and

14 **WHEREAS**, The Subtenant has requested an extension of the termination date to
15 December 31, 2006; and,

16 **WHEREAS**, Subtenant has acted in good faith to meet the obligations set forth in the
17 Original Sublease for renovations and access to the field for priority groups; Now, therefore,
18 be it

19 **RESOLVED**, That the Authority hereby approves and authorizes the Executive Director
20 to execute an amendment to the Original Sublease with Subtenant to retroactively extend the
21 term for to December 31, 2006.

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CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed special meeting on February 22nd, 2006.

Susan Po-Rufino, Secretary

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**FIFTH AMENDMENT TO SUBLEASE
between**

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

**THE SAN FRANCISCO LITTLE LEAGUE
a non-profit public benefit corporation
as Subtenant**

For the Sublease of

**The Little League Field
at Former Naval Station Treasure Island
San Francisco, California**

FIFTH AMENDMENT TO TREASURE ISLAND SUBLEASE

THIS FIFTH AMENDMENT TO SUBLEASE (the "Fifth Amendment"), dated as of this 1st day of January 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and the San Francisco Little League ("Subtenant")

This Sublease is made with reference to the following facts and circumstances:

A. Subtenant and Sublandlord entered into that certain sublease, dated January 1, 2000, and four (4) subsequent amendments thereto (collectively, the "Sublease") for the use of the Little League Field located by the intersection of 4th Avenue and Avenue N on Treasure Island, as more particularly shown on the map attached to the Original Sublease as Exhibit B (the "Original Premises").

B. Subtenant and Sublandlord desire to amend the Sublease to extend the term.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Defined Terms. Capitalized terms not separately defined herein shall have the same meaning provided in the Original Sublease.

2. Term of Sublease. The Term described in Section 3.1 of the Sublease is hereby amended to terminate on December 31, 2006.

3. Terms and Conditions of Sublease Remain in Force and Effect. Except as specifically amended hereby, the terms and conditions of the Sublease, as amended by this Amendment, shall remain in full force and effect.

4. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

Sublandlord and Subtenant have executed this Amendment as of the date first written above.

SUBTENANT:

SAN FRANCISCO LITTLE LEAGUE

By: _____

Its: _____

SUBLANDLORD:

**THE TREASURE ISLAND DEVELOPMENT
AUTHORITY**

By: _____

Joanne Sakai

Its: Interim Executive Director

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By: _____

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda No: 8(c)

Meeting Date: February 22, 2006

Subject: Resolution Authorizing the Executive Director to Retroactively Extend the Term of the Use Permit with Laura Bertone of Pax Fluid Systems for Use of a Portion of Pier One Through May 31, 2006 (Action Item)

Staff Contact: Marc McDonald
(415) 274-0660

BACKGROUND

In August 2001, the Authority issued a six-month Use Permit to Laura Bertone of Pax Fluid Systems for the use of 150 linear feet on the southern side of Pier One. Subsequently, in April 2002 the Authority approved a twelve-month extension of the term of the Use Permit. Pax Fluid Systems is a private company in the business of researching and designing efficient methods of propulsion. The 150-foot research vessel, named Chaleur, has been renovated from an old minesweeper to a research lab. Laura Bertone is the caretaker and owner of the vessel and a managing partner of Pax Fluid Systems.

On June 1, 2005, the permit rate was increased from \$1,000 per month to \$1,030 per month. While the Authority staff typically reviews rate adjustments on an annual basis, a review of berthing rates in the Oakland and Marin County for 150 foot vessels indicate the linear foot rate for the Chaleur is within market range. Berthing of the Chaleur at Pier One does not affect the Authority's ability to utilize the Pier for other activities. A key condition to the permit is the promise by the permittee that the vessel's VHF and Single Side Band radios are available to the Authority to assist in an emergency event.

Laura Bertone has requested an extension of the term of the Use Permit. Authority staff wishes to extend the term of the Use Permit through May 31, 2006 at the current permit rate. All other terms and conditions of the agreement will remain the same.

RECOMMENDATION

Staff recommends approval.

EXHIBITS

A Amendment to Use Permit Between TIDA and Laura Bertone of Pax Fluid Systems

1 [Extension of Use Permit with Laura Bertone]

2 **AUTHORIZING THE EXECUTIVE DIRECTOR TO RETROACTIVELY EXTEND THE TERM**
3 **OF THE USE PERMIT WITH LAURA BERTONE OF PAX FLUID SYSTEMS FOR USE OF A**
4 **PORTION OF PIER ONE THROUGH MAY 31, 2006.**

5 **WHEREAS,** On May 2, 1997, the Board of Supervisors (the "Board") passed
6 resolution No. 380-97 authorizing the Mayor's Treasure Island Project Office to establish a
7 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
8 "Authority") to act as a single purpose entity focused on the planning, redevelopment,
9 reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island
10 (the "Base") for the public interest, convenience, welfare and common benefit of the
11 inhabitants of the City and County of San Francisco; and,
12

13 **WHEREAS,** Under the Treasure Island Conversion Act of 1997, which amended
14 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
15 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority
16 as a redevelopment agency under California redevelopment law with authority over the Base
17 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
18 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
19 administer the public trust for commerce, navigation, and fisheries as to such property; and,
20

21 **WHEREAS,** The Tidelands Trust encourages maritime-oriented uses of trust property;
22 and,
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1 **WHEREAS**, In order to facilitate productive reuse of the Base, it may be beneficial to
2 the Authority to lease or license property from the Navy and, in turn, sublease or sublicense
3 such property to third-parties or use such property for municipal purposes; and,

4 **WHEREAS**, The Treasure Island Development Authority, ("Authority") and the United
5 States Navy, ("Navy"), entered into a master lease on September 4, 1998, for the South
6 Waterfront Area, which master lease has been amended from time to time; and,

7 **WHEREAS**, The master lease enables the Authority to sublease portions of the master
8 leased area for interim uses; and,

9 **WHEREAS**, On August 7, 2001, the Authority and Laura Bertone of PAX Fluid
10 Systems ("Permittee") entered into a six-month Use Permit (the "Permit") pursuant to which
11 the Authority conferred to Permittee a personal, non-exclusive and non-possessory privilege
12 to enter upon and use an area (the "Licensed Area") consisting of approximately 150 linear
13 feet of space along the southern edge of Pier 1, and,

14 **WHEREAS**, On May 12, 2004, the Authority approved an extension of the Use Permit
15 to December 31st 2004; and,

16 **WHEREAS**, On June 1, 2005, the Authority staff and Permittee agreed to increase the
17 monthly permit rate by 3% to \$1030.00 per month, and.

18 **WHEREAS**, The Authority staff and Permittee agreed to extend the term of the Use
19 Permit through December 31, 2005 at the increased permit rate; and

1 **WHEREAS**, The Authority staff and Permittee wish to extend the term of the Use
2 Permit through May 31, 2006 at the current permit rate; now therefore be it

3 **RESOLVED**, That Treasure Island Development Authority Board of Directors hereby
4 authorizes the Executive Director to retroactively extend the term of the Use Permit through
5 May 31, 2006 and to execute an amendment to the Use Permit for such extension at the
6 current monthly permit rate of \$1,030.00 per month.
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10 **CERTIFICATE OF SECRETARY**

11 I hereby certify that I am the duly elected and acting Secretary of the Treasure Island
12 Development Authority, a California nonprofit public benefit corporation, and that the above
13 Resolution was duly adopted and approved by the Board of Directors at a properly noticed
14 special meeting on February 22, 2006.
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18 _____
19 Susan Po- Rufino, Secretary
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THIRD AMENDMENT TO USE PERMIT

THIS THIRD AMENDMENT TO USE PERMIT (this "Third Amendment") dated for reference purposes only as of January 1, 2006, is made by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY ("Authority") and Laura T. Bertone of Pax Fluid Systems, (Permittee").

RECITALS

WHEREAS, the Authority and Permittee entered into that certain Use Permit dated January 29, 2002 (the "Permit"), whereby the Authority conferred upon Permittee a personal, non-exclusive and non-possessionary privilege to enter upon and use a portion of Pier 1 as depicted thereon in Exhibit B (the "Premises") attached to the Permit; and

WHEREAS, the Parties amended the Permit to extend the term thereof to December 31, 2004; and

WHEREAS, the Parties amended the Permit to extend the term thereof to December 31, 2005; and

WHEREAS, the Parties wish to further amend the Permit to extend the term thereof up to May 31, 2006, subject to the terms and conditions of the Permit.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree to amend the Permit as follows:

1. Paragraph 8 of the Permit is amended to read as follows:

"8. **Term of Permit.** The privilege conferred to Permittee pursuant to this Permit shall begin at 6:00 a.m. on Monday, February 4, 2002 to use Piers 1 and continue on a month-to-month basis not to exceed May 31, 2006. Either Party may, in its sole discretion, terminate this Permit by giving thirty (30) days prior written notice to the other Party. Permittee hereby acknowledges that the underlying Master Lease with the Navy currently on a month-to-month basis and that Sublandlord anticipates but cannot guarantee that the Navy will extend the term of such Master Lease to or beyond May 31, 2006. In the event that the Master Lease terminates for any reason, Permittee agrees that this Permit shall terminate immediately upon the termination of the Master Lease. "

2. Except as expressly amended in this Second Amendment, all other terms and conditions of the Permit shall remain in full force and effect.

Sublandlord and Subtenant have executed this Second Amendment in triplicate as of the

date first written above.

PERMITTEE:
LAURA T. BERTONE

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

AUTHORITY:
TREASURE ISLAND DEVELOPMENT AUTHORITY

Executive Director

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By _____
Deputy City Attorney



AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Subject: Resolution Authorizing The Executive Director To Retroactively Amend the Month-To-Month Sublease With The Treasure Island Sailing Center at Pier 11, Pier 12 and Adjacent Areas to Extend the Term up to December 31, 2006 (*Action Item*)

Agenda Item No: 8(d)

Contact: Marc McDonald
(415) 274-0660

Meeting Date: February 22, 2006

SUMMARY OF PROPOSED ACTION:

Staff is requesting the Authority adopt a resolution to renew a sublease with the Treasure Island Sailing Center for Pier 11, Pier 12 and adjacent areas.

BACKGROUND

In November 1999, the Authority approved of a two-year sublease with the San Francisco Sailing Center Foundation for the purpose of hosting the United States Olympic Sailing Pre-Trials at Pier 12 on Treasure Island's south waterfront area, and to provide sail instruction to underprivileged San Francisco Youth.

Over the past few years, the Sailing Center has changed from being the successful host site for the Olympics to a larger focus on providing free sail instruction to not only underprivileged San Francisco youth, but to also many Bay Area youth. To reflect the new focus on free sail instruction, the Sailing Center changed its name from the San Francisco Sailing Center Foundation to the Treasure Island Sailing Center Foundation.

Last summer more than 250 kids were participated in the opportunity to learn how to sail. Some of the organizations participating in the sail instruction program include the Columbia Boys and Girls Club, Life Learning Academy, Treasure Island Homeless Development Initiative (TIDHI), the YMCA, San Francisco Recreation and Park Summer Sail Program, and the Girl Scouts of America. In addition to the sail instruction programs, the Sailing Center has been the host site for a variety of national events such as the NCAA Sailing for the Cal Berkeley Sail Team and many of the Pacific Coast Collegiate Regattas.

The following is a brief description of the main components to the Sublease:

- *Premises:* The footprint includes the following:

- Approximately 15,000 square feet of surface area with two small wood framed structures (commonly referred as Buildings 12 A and 12 B).
- Approximately 2,500 square feet of water surface adjacent to Pier 12.
- Approximately 15,000 of paved surface located to the north of and immediately adjacent to Pier 12.
- *Permitted Use:*
 - The primary focus is to provide free sail instruction to underprivileged San Francisco youth.
 - Limited dry boat storage to support the operation and activities of the sailing center.
 - Shared use of the facility with Treasure Isle Marina for launching boats.
- *Term:* The term of the proposed amendment to the sublease is for one year, expiring on December 31, 2006.
- *Rent:* This is a no-cost sublease. A monthly CAM charge of \$100.00 is collected. The rent does not include utilities and must be paid by the Sailing Center.

RECOMMENDATION:

Staff recommends approval of the amendment to the month-to-month sublease with the Treasure Island Sailing Center to extend the term through December 31, 2006 under the same terms and conditions of the current sublease.

EXHIBITS:

- A. Second Amendment to Sublease Between Treasure Island Sailing Center and Treasure Island Development Authority.

1 [Amending the Sublease with Treasure Island Sailing Center to extend the term.]

2 **Resolution Authorizing The Executive Director To Retroactively Amend the Month-To-**
3 **Month Sublease With The Treasure Island Sailing Center at Pier 11, Pier 12 and**
4 **Adjacent Areas to Extend the Term up to December 31, 2006**
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7 **WHEREAS**, On May 2, 1997, the Board of Supervisors (the "Board") passed
8 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
9 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
10 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
11 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
12 the public interest, convenience, welfare and common benefit of the inhabitants of the City
13 and County of San Francisco; and,

14 **WHEREAS**, Under the Treasure Island Conversion Act of 1997(the "Act"), which
15 amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to
16 Chapter 1333 of the Statutes of 1968, the California legislature (i) designated the Authority as
17 a redevelopment agency under California redevelopment law with authority over the Base
18 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
19 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
20 administer the public trust for commerce, navigation and fisheries as to such property; and,

21 **WHEREAS**, Under the Act and the Authority's Articles of Incorporation and Bylaws, the
22 Authority, acting by and through its Board of Directors (the "Board of Directors"), has the
23 power, subject to applicable laws, to enter into agreements or contracts for the procurement of
24 goods and services related to the activities and purpose of the Authority; and
25

1 **WHEREAS**, on November 1999, the Authority approved of a two-year sublease with
2 the San Francisco Sailing Center Foundation for the purpose of hosting the United States
3 Olympic Sailing Pre-Trials at Pier 12 on Treasure Island's south waterfront area, and to
4 provide sail instruction to underprivileged San Francisco Youth; and,

5 **WHEREAS**, On December 12, 2004, Sublandlord and Subtenant agreed to increase
6 the surface area by approximately 27,750 square feet and agreed to extend the term of the
7 Sublease to December 31, 2005; and

8 **WHEREAS**, On December 31, 2005, the Sublease between Sublandlord and
9 Subtenant expired of its own term; and

10 **WHEREAS**, Subtenant has remained a month-to-month Subtenant to Sublandlord
11 without objection of the Sublandlord; and

12 **WHEREAS**, Sublandlord and Subtenant wish to retroactively extend the term of the
13 Sublease to December 31, 2006, and the Authority staff recommends such an extension, now
14 therefore be it

15 **RESOLVED:** That the Board of Directors hereby approves and authorizes the
16 Executive Director to retroactively enter into a Second Amendment to the Sublease with the
17 Treasure Island Sailing Center in substantially the form attached hereto as Exhibit A, to
18 extend the term thereof up to December 31, 2006 provided that nothing herein shall limit the
19 Authority's ability to terminate the Sublease on thirty days notice as provided in the Sublease.
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1 **CERTIFICATE OF SECRETARY**

2 I hereby certify that I am the duly elected and acting Secretary of the Treasure Island
3 Development Authority, a California nonprofit public benefit corporation, and that the above
4 Resolution was duly adopted and approved by the Board of Directors at a properly noticed
5 special meeting on February 22, 2006.
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8 Susan Po-Rufino, Secretary
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SECOND AMENDMENT TO SUBLEASE

Between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY
As Sublandlord

And

TREASURE ISLAND SAILING CENTER FOUNDATION

As Subtenant

For the Sublease of

Piers 11 and 12 and other space at
Former Naval Station Treasure Island
San Francisco, California

SECOND AMENDMENT TO SUBLEASE

THIS SECOND AMEND TO SUBLEASE (this "Amendment"), dates as of January 1, 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and the Treasure Island Sailing Center Foundation, a California Non-profit public benefit Corporation ("Subtenant").

This Amendment is made with reference to the following facts and circumstances:

- A. On December 12, 2001, Sublandlord and Subtenant entered into a Sublease pursuant to which Sublandlord agreed to a sublease property commonly known as Pier 11 and Pier 12 consisting of 30,000 square feet and approximately 2,500 square feet of water surface area located at Piers 11 and 12.
- B. On December 12, 2004, Sublandlord and Subtenant agreed to increase the surface area by approximately 27,750 square feet and agreed to extend the term of the Sublease to December 31, 2005.
- C. On December 31, 2005, the Sublease between Sublandlord and Subtenant expired of its own term.
- D. Subtenant has remained a month-to-month Subtenant to Sublandlord without objection of the Sublandlord.
- D. On February 22, 2006, the Board of Directors of Sublandlord adopted Resolution No. _____ authorizing the Executive Director of Sublandlord to enter into this Second Amendment.
- E. Sublandlord and Subtenant wish to extend the term of the Sublease retroactively to December 31, 2006,

NOW THEREFORE, inconsideration of the foregoing and other good and valuable consideration, Sublandlord and Subtenant hereby agree to amend the sublease as follows.

3. TERM

3.1. Term of Sublease: The Premises are subleased for a term (the "Term") commencing on December 12, 2001, or the Effective Date, whichever is later, (the "Commencement Date") and expiring on the earlier to occur of (i) the Sublandlord's execution of a disposition and development with TIE for the redevelopment and expansion of the Treasure Island Marina, including the Premises, or (ii) December 31, ~~2005~~ 2006.

Except as expressly stated in this Amendment, all other terms and conditions of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Amendment in triplicate as of the date first written above.

SUBTENANT
TREASURE ISLAND SAILING CENTER
Treasure Island Sailing Center Foundation
29 Oak Creek Lane
San Carlos, CA. 94070
Employer I.D. No. 81-1628735
a California non-profit public benefit
Corporation

By: _____
Its: _____

SUBLANDLORD"
THE TREASURE ISLAND
DEVELOPMENT AUTHORITY

By: _____
Joanne Sakai, Interim Executive Director

Approved as to Form:
DENNIS J. HERRERA
City Attorney

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Subject: Resolution Authorizing the Executive Director to Retroactively Amend the Sublease with the Delancey Street Foundation to Extend the Term of the Sublease to December 31, 2006 (*Action Item*) **Agenda Item No. 8(e)**
Meeting of February 22, 2006

Contact: Marc McDonald
Phone: (415) 274-0660

SUMMARY OF PROPOSED ACTION

Staff is requesting retroactive approval of an amendment to the Sublease with the Delancey Street Foundation to extend the term of the agreement to December 31, 2006.

BACKGROUND

On October 1, 1998, the Authority entered into a Sublease with the Delancey Street Foundation (Delancey Street) for use of Building 229 as a Life Learning Academy and Buildings 183 and 298 as a coffee shop/café and vocational program for culinary arts. On September 13, 2000, in response to a request by Delancey Street, the Authority approved a Second Amendment to the Sublease to reduce the premises by excluding Building 298. Currently, Delancey Street's presence at Treasure Island consists of:

- Building 229. The Life Learning Academy (LLA), a diploma-granting San Francisco Unified School District Charter School designed to serve 60 high-school aged youths who have not been successful in other school settings.
- Building 183. The Crossroads Café, a full-service café operated by LLA faculty and staff Mondays through Thursdays during breakfast and lunch hours, serving Treasure Island residents, workers, students and visitors.

Under the terms of the original Sublease, rent or consideration for use of the premises consisted of the following elements:

1. A requirement to make improvements to the buildings (Required Improvements),
2. Pay all expenses associated with Common Area Maintenance (CAM) charges, and
3. After recovering its costs of making the Required Improvements to the Café from gross revenues, the Authority would receive monthly 2% of gross receipts from operating the Café as percentage rent.

Required Improvements

The Café building required extensive improvements in order to make it functional as a restaurant and to bring the building into compliance with the City's building code. Delancey Street completed substantial upgrades involving, among other work, foundation work, seismic upgrades, the installation of an ADA-compliant bathroom, ADA-compliant access ramps, the demolition and renovation of a working kitchen, and upgrades of electrical, water and gas systems. The cost of performing this work totaled \$85,500 (or approximately \$57.00 per square foot). Per the terms of the original Sublease, these expenses were treated as a rent credit against the gross revenues towards which percentage rent would be calculated.

Percentage Rent

As stated previously, the original Sublease stated that percentage rent to the Authority would be based on 2% of gross receipts after Delancey Street had recovered the cost of making the improvements. For the three years of 2001, 2002 and 2003, the Crossroads Café earned gross receipts of approximately \$213,000. While there is some ambiguity how the improvement allowance credit should be allocated, it appears the intent would be reflected by Delancey Street owing percentage rent on 2% of \$213,000 less the \$85,500 improvement expenses, or \$127,500. The percentage rent associated with these gross receipts would have been approximately \$2,550.

As the Authority is aware, one of the primary objectives of the Treasure Island Development Authority during the period of interim management of former Naval Station Treasure Island has been to utilize the revenues generated by the housing to support programs that provide a public benefit, including the Delancey Street Life Learning Academy, the Crossroads Café run by Delancey Street, the Treasure Island Sailing Center, San Francisco Little League, the Treasure Island Homeless Development Initiative, Rubicon Enterprises and Toolworks. Staff believes that the Café provides a substantial public benefit by providing food service to residents, workers, students and visitors to Treasure Island, as well as serving as a training and educational facility for the students of the Life Learning Academy. It is also clear that the staff time required to monitor percentage rent payments associated with revenues from the Café operations would be greater than the actual payments received.

Consequently, staff recommended and the Board of Directors approved removing the percentage rent clause from the terms of the Sublease retroactive to the commencement of the Sublease and requiring Delancey Street to report to the Authority annual gross receipts from operation of the Café so that the Authority may determine in the future whether a form of base rent is an appropriate means for the Authority to capture revenue associated with the Café. Gross Income for the Calendar Year 2005 was \$106,617.06. Net Income was (\$17,820.09) with the greatest percentage of Costs going to Salaries Expenses of \$50,960.85 and Cost of Good Sold of \$46,001.92. Percentage Rent of 2% against the \$106,617.06 of Gross Revenue would be \$17.80 per month. It appears that collection of percentage rent at this point would be contrary to the goal of supporting a valuable community asset that provides a substantive educational opportunity for youth.

Common Area Maintenance Charges

Initially all premises under the Sublease were assessed a CAM charge. Each year, Delancey Street applied for grant monies to pay CAM charges to the Authority. Due to State and Federal budget limitations these funds became unavailable. As a result, Delancey Street was unable to pay a substantial portion of the CAM charges assessed.

On April 2, 2004, the Authority received a request from the San Francisco Unified School District (SFUSD) to treat the Delancey Street Life Learning Academy in a manner consistent with the treatment of the Treasure Island Elementary School by waiving CAM charges. The Board of Directors authorized the Executive Director to grant the request of the SFUSD and waived future CAM charges associated with the Delancey Street Life Learning Academy.

Term Extension

Consistent with other Subleases and Master Leases, staff recommends an extension of the term of the Sublease with Delancey Street through December 31, 2006.

RECOMMENDATION

Staff recommends approval of the proposed amendment to the sublease.

EXHIBITS

- A Fourth Amendment to Sublease Between Delancey Street Foundation and TIDA.

1 [Extending Term of Delancey Street Foundation Sublease to December 31, 2006]

2 **Authorizing the Executive Director to Retroactively Amend the Sublease with the**
3 **Delancey Street Foundation to Extend the Term of the Sublease to December 31, 2006**

4 **WHEREAS**, on September 16, 1998, the Board of Directors of the Authority approved
5 a sublease (the "Sublease"), a copy of the Sublease, as amended, is attached hereto as
6 Exhibit A, with Delancey Street Foundation ("Subtenant") for the use of Buildings 183, 298,
7 and 229 (the "Premises") for a coffee shop/café, a vocational program for culinary arts, and
8 the Life Learning Academy; and,
9

10 **WHEREAS**, on October 30, 1998, the Sublease was amended to recognize the rights
11 of the Treasure Island Homeless Development Initiative in connection with Subtenant's rights,
12 and on September 13, 2000, the Authority authorized an amendment to the Sublease to
13 exclude Building 229 from the Premises; and,
14

15 **WHEREAS**, the primary purpose of the Sublease, as amended, is to provide (1) a
16 suitable location for the Life Learning Academy charter school for at-risk boys and girls from
17 San Francisco, (2) a suitable location for a vocational program for culinary arts, and (3) a
18 coffee shop/café staffed by students of the Life Learning Academy culinary arts program
19 serving the visitors and residents of Treasure Island and Yerba Buena Island; and,
20

21 **WHEREAS**, in consideration of the substantial public purposes served by the Sublease
22 of benefit to the Treasure Island/Yerba Buena Island community as well as the residents of
23 the City and County of San Francisco, the parties wish to amend the Sublease to extend the
24 term to December 31, 2006; now therefore be it
25

RESOLVED: That the Board of Directors hereby approves retroactively the extension of the term of the Sublease to December 31, 2006.

FURTHER RESOLVED: That the Board of Directors hereby authorizes the Executive Director of the Authority to enter into an amendment to the Sublease in substantially the form attached hereto as Exhibit A.

///

///

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed special meeting on February 22, 2006.

Susan Po-Rufino, Secretary



RECYCLED PAPER MADE FROM 20% POST CONSUMER CONTENT

**FOURTH AMENDMENT TO
SUBLEASE
between
THE TREASURE ISLAND DEVELOPMENT AUTHORITY
as Sublandlord**

and

**DELANCEY STREET FOUNDATION
as Subtenant**

**For the Sublease of
Buildings 183 and 229 at
Naval Station Treasure Island
San Francisco, California**

FEBRUARY _ 2006

**FOURTH AMENDMENT TO
TREASURE ISLAND SUBLEASE**

THIS FOURTH AMENDMENT TO SUBLEASE (the "Fourth Amendment"), dated as of February __, 2006, is entered into by and between the Treasure Island Development Authority ("Sublandlord") and Delancey Street Foundation, a 501(c)(3) non-profit corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

A. Sublandlord and Subtenant entered into a Sublease dated October 1, 1998 (the "Original Sublease") for the use of Buildings 183, 298 and 229 on Naval Station Treasure Island as a Life Learning Academy operated by Subtenant. The Original Sublease was amended by that First Amendment to Sublease between the Parties dated October 30, 1998 (the "First Amendment") to recognize the rights of the Treasure Island Homeless Development Initiative in connection with Subtenant's rights. On September 13, 2000, the Authority authorized an amendment to the Sublease to remove Building 298 from the Premises (the "Second Amendment"). On May 1, 2004, the sublease was amended to (i) extend the term to December 31, 2005, (ii) agree that no rent shall be assessed for the Premises beginning on the Effective Date and continuing to the expiration of the Term, and (iii) beginning May 1, 2004, and continuing for the remainder of the Term, Subtenant shall not be required to pay monthly CAM Charges. The Original Sublease, the First Amendment, the Second Amendment and the Third Amendment are collectively referred to herein as the "Sublease." Except as otherwise expressly stated herein, all capitalized terms shall have the meaning given in the Sublease.

B. The Parties wish to amend the Sublease as stated herein below.

NOW THEREFORE, Sublandlord and Subtenant agreed to amend the Sublease as follows:

1. Section 3.1 of the Sublease is hereby amended to read as follows:

"3.1 **Term of Sublease.** The term of this Sublease (the "Term") shall commence on October 1, 1998 (the "Commencement Date") and terminate on December 31, 2006 (the "Expiration Date"), unless earlier terminated as provided in this Sublease. Subtenant hereby acknowledges that the underlying Master Lease with the Navy currently is scheduled to terminate on December 31, 2006, and that Sublandlord anticipates but cannot guarantee that the Navy will extend the term of such Master Lease to December 31, 2006.

2. Except as expressly modified herein, all other terms, conditions, and covenants of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Fourth Amendment in triplicate as of the date first written above.

SUBTENANT:

Delancey Street Foundation,
a 501(c)(3) non-profit corporation

By: _____
Its: _____

Date

SUBLANDLORD:

The Treasure Island Development Authority

By: _____
Its: Executive Director

Date

Approved as to Form:

DENNIS J. HERRERA
City Attorney

By: _____

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Subject:	Resolution Authorizing the Executive Director to Retroactively Enter Into a 12 Month Sublease with the Glide Foundation for the Use of Building 265 (<i>Action Item</i>)	Agenda Item No. 8 (f) February 22, 2006
Staff Contact Phone	Marc McDonald, (415)274-0660	

SUMMARY OF PROPOSED ACTION

This item seeks the approval of the Authority to retroactively enter into a twelve- month sublease with the Glide Foundation for the use of Building 265 as a youth training facility. Rent for the 8,362 square feet in Building is \$2,000 (\$0.24 psf) per month. The subtenant is allowed to deduct up to \$500.00 per month from Base Rent any amount paid by the subtenant to the San Francisco Public Utilities Commission for the provision of water, sewer, electricity and natural gas to the Premises ("SFPUC Payments"). The result is net rent payable to TIDA in the amount of \$1,500 (\$0.179 psf) per month.

BACKGROUND:

On June 28, 2005, the Executive Director entered into a short-term lease without further action or approval by the Authority's Board of Directors for a term which did not exceed six months with the Glide Foundation for use of Building 265 on Treasure Island. This action was taken in accord with the policies described in **Section 10. Delegation of Authority to Executive Director** of the "Treasure Island Development Authority Rules and Procedures for Transfer and Use of Real Property".

The Glide Foundation, affiliated with Glide Church, uses the building to offer a youth training program in the construction trades for at-risk youth. The program utilizes the skills of Union tradespersons from all construction related skills to volunteer their time to teach both technical and life skills to at risk youth from San Francisco neighborhoods. This Treasure Island program in Building 265 provides the program participants a safe, gang-free environment to learn a trade. Since its beginning in June of 2005, the Glide Foundation has trained over 60 youth in construction trade skills.

During the Navy's tenure on the island, Building 265 was used as the Base library. Since the Navy's departure the building has been used only once, as offices for the X games in 1998. Since that time the building has not been used, and has been the subject of vandalism.

Retroactive Extension of this sublease for a term of 12 months will allow continuation of a valuable trades training program on Treasure Island.

RECOMMENDATION:

Staff recommends approval of the 12 month sublease with the Glide Foundation.

EXHIBITS:

- A. Sublease between TIDA and the Glide Foundation.

1 [Sublease with the Glide Foundation]

2 RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO RETROACTIVELY
3 ENTER INTO A TWELVE MONTH SUBLEASE WITH THE GLIDE FOUNDATION
4 FOR THE USE OF BUILDING 265.

5 **WHEREAS**, On May 2, 1997, the Board of Supervisors (the "Board") passed
6 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to
7 establish a nonprofit public benefit corporation known as the Treasure Island
8 Development Authority (the "Authority") to act as a single entity focused on the
9 planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of
10 former Naval Station Treasure Island (the "Base") for the public interest, convenience,
11 welfare and common benefit of the inhabitants of the City and County of San
Francisco; and,

12 **WHEREAS**, Under the Treasure Island Conversion Act of 1997(the "Act"),
13 which amended Section 33492.5 of the California Health and Safety Code and added
14 Section 2.1 to Chapter 1333 of the Statutes of 1968, the California legislature (i)
15 designated the Authority as a redevelopment agency under California redevelopment
16 law with authority over the Base upon approval of the City's Board of Supervisors,
17 and, (ii) with respect to those portions of the Base which are subject to the Tidelands
18 Trust, vested in the Authority the authority to administer the public trust for commerce,
19 navigation and fisheries as to such property; and,

20 **WHEREAS**, Under the Act and the Authority's Articles of Incorporation and
21 Bylaws, the Authority, acting by and through its Board of Directors (the "Board of
22 Directors"), has the power, subject to applicable laws, to enter into agreements or
23 contracts for the procurement of goods and services related to the activities and
24 purpose of the Authority; and
25

1 **WHEREAS**, under Section 10 of the Treasure Island Development Authority
2 Rules and Procedures for Transfer and Use of Real Property, the executive Director is
3 authorized to enter into short-term subleases which do not exceed six months without
4 further action or approval by the Authority's Board of Directors; and

5 **WHEREAS**, acting under this authority, the Executive Director did enter into a
6 sublease with Glide Foundation for a term of six months; and

7 **WHEREAS**, the term of the sublease between the Treasure Island
8 Development Authority and the Glide Foundation did expire of its own term on
9 December 31, 2005, and;
10

11 **WHEREAS**, the Glide Foundation requests retroactive extension of the sublease under
12 the same terms and conditions for an additional term of 12 months in support their mission of
13 providing a suitable location for the youth in the Glide Foundation to learn valuable
14 construction trade skills; and

15 **WHEREAS**, in consideration of the substantial public purposes served by the
16 Sublease of benefit to the Treasure Island/Yerba Buena Island community as well as
17 the residents of the City and County of San Francisco; now therefore be it
18

19 **RESOLVED:** That the Board of Directors hereby approves and authorizes the
20 Executive Director to enter into a retroactive extension of the month-to-month
21 sublease with the Glide Foundation for Building 265 not to exceed December 31,
22 2006, in substantially the form of the First Amendment to Treasure Island Sublease
23 attached hereto as Exhibit A.
24
25

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors at a properly noticed special meeting on February 22, 2006.

Susan Po-Rufino, Secretary

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**FIRST AMENDMENT TO
SUBLEASE
between
THE TREASURE ISLAND DEVELOPMENT AUTHORITY
as Sublandlord**

and

**THE GLIDE FOUNDATION
as Subtenant**

**For the Sublease of
Building 265 at
Naval Station Treasure Island
San Francisco, California**

JANUARY 1, 2006

**FIRST AMENDMENT TO
TREASURE ISLAND SUBLEASE**

THIS FIRST AMENDMENT TO SUBLEASE (the "FIRST Amendment"), dated as of January 1, 2006, is entered into by and between the Treasure Island Development Authority ("Sublandlord") and THE GLIDE FOUNDATION, a 501(c)(3) non-profit corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Amendment is made with reference to the following facts and circumstances:

A. Sublandlord and Subtenant entered into a Sublease dated June 1, 2005 (the "Original Sublease") for the use of Building 265 on Naval Station Treasure Island as a site for Training San Francisco youth in construction and life skills.

Except as otherwise expressly stated herein, all capitalized terms shall have the meaning given in the Sublease.

B. The Parties wish to amend the Sublease as stated herein below.

NOW THEREFORE, Sublandlord and Subtenant agreed to amend the Sublease as follows:

1. Section 3.1 of the Sublease is hereby amended in its entirety to read as follows:

"3.1 **Term of Sublease.** The Premises are subleased on a Month-to-Month basis not to exceed December 31, 2006 (The "Expiration Date"), subject to Section 3.2 below or unless sooner terminated pursuant to the terms of this sublease. This Sublease shall automatically terminate on December 31, 2006 without any further notice from Sublandlord unless the term of this Sublease is extended in writing by Sublandlord's Board of Directors.

2. Except as expressly modified herein, all other terms, conditions, and covenants of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this FIRST Amendment in triplicate as of the date first written above.

SUBTENANT:

THE GLIDE FOUNDATION,
a 501(c)(3) non-profit corporation

By: _____
Its: _____

Date

SUBLANDLORD:

The Treasure Island Development Authority

By: _____
Its: Executive Director

Date

Approved as to Form:

DENNIS J. HERRERA
City Attorney

By: _____

Deputy City Attorney

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 8(g)

Special Meeting of February 22, 2006

Subject: Authorizing The Executive Director To Amend The Sublease With Island Creative Management Inc. For Building 2 to Retroactively Extend The Term up to December 31, 2006 And to Increase The Rent By 3% To \$19,058.34 Per Month (*Action Item*)

Contact/Phone: Marc McDonald, Facilities Manager
274-0660

SUMMARY OF PROPOSED ACTION

This item seeks the approval of the Authority to enter into the Third Amendment to the interim sublease with Island Creative for use of Hanger 2 to retroactively extend the term up to December 31, 2006 and to increase the rent by 3% to \$19,058.34 per month.

BACKGROUND

On September 1, 1999, the Authority executed a sublease with Island Creative Management (Island Creative) to use Building 99 to build sets for television, film production, and special events. On December 31, 2002, the Authority executed a new sublease with Island Creative that involved relocation of Island Creative operations to Building 2, one of the historic hangars on Treasure Island. The relocation provided Island Creative additional space for their operation and allowed the Navy to conduct environmental remediation activities in Building 99, where Island Creative was located. The term of the Building 2 sublease was for 12 months and rent was set at \$18,000 per month. On May 12, 2004 the Authority Board of Directors authorized an additional extension of the sublease to December 31, 2004. On December 8, 2004(?) the Authority Board of Directors authorized an additional extension of the sublease to December 31, 2005(?).

Island Creative has indicated a desire to continue subleasing Building 2 and staff is seeking Authority approval to execute a Third Amendment retroactively extending the term of the sublease through December 31, 2006.

In accord with staff practice of reviewing rental rates upon renewal, staff determined that for All Urban Consumers in the San Francisco – Oakland – San Jose Standard Metropolitan Statistical Areas during the period October 2004 to October 2005 the Consumer Price Index increased by approximately 3%. As a result, TIDA staff recommends that the rental rate for Building 2 be increased by 3% from \$0.134 psf per month to \$0.137 psf per month or from \$18,540.00 per month to \$19,058.34 per month.

As of January 1, 2006 with the 3% increased rental rate, the rent for the facility will be \$19,058.34 per month. All other terms and conditions of the Sublease remain the same.

RECOMMENDATION

Staff recommends approval of the resolution authorizing the Executive Director to execute the Third Amendment to the Sublease for Building 2 with Island Creative Management.

EXHIBITS

- A Third Amendment to Sublease Between Island Creative Management and TIDA

1 [Authorizing Third Amendment to Sublease with Island Creative Management, Inc. for Building
2 2]

3 **Authorizing The Executive Director To Amend The Sublease With Island Creative**
4 **Management Inc. For Building 2 to Retroactively Extend The Term up to December 31,**
5 **2006 And to Increase The Rent By 3% To \$19,058.34 Per Month Per Month.**

6
7 **WHEREAS**, On May 2, 1997, the Board of Supervisors (the "Board") passed
8 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
9 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
10 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
11 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
12 the public interest, convenience, welfare and common benefit of the inhabitants of the City
13 and County of San Francisco; and,

14 **WHEREAS**, Under the Treasure Island Conversion Act of 1997, which amended
15 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
16 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority
17 as a redevelopment agency under California redevelopment law with authority over the Base
18 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
19 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
20 administer the public trust for commerce, navigation and fisheries as to such property; and,

21 **WHEREAS**, The Tidelands Trust prohibits the sale of trust property into private
22 ownership, generally requires that Tidelands Trust property be accessible to the public and
23 encourages public-oriented uses of trust property that, among other things, attract people to
24 the waterfront, promote public recreation, protect habitat and preserve open space; and,
25

1 **WHEREAS**, In order to facilitate productive reuse of the Base, it may be beneficial for
2 the Authority to lease or license property from the Navy and, in turn, sublease or sublicense
3 such property to third-parties or use such property for municipal purposes; and,

4 **WHEREAS**, On September 1, 1999, the Authority's Executive Director entered into a
5 month-to-month sublease (the "Original Sublease") with Island Creative Management Inc.
6 ("Subtenant") for the use of a portion of Building 99 (the "Initial Premises") for the building of
7 sets used in television and film production; and,

8 **WHEREAS**, The Navy informed the Authority that environmental remediation activities
9 needed to be conducted in and near Building 99 and it was desirable to have that facility
10 unoccupied at the time those activities were scheduled to occur, and on December 31, 2002,
11 the Authority and Subtenant entered into a new sublease for Building 2; and,

12 **WHEREAS**, On May 12, 2004 the Authority Board of Directors authorized extending
13 the term of the sublease for Building 2 to December 31, 2004; and,

14 **WHEREAS**, On December 8, 2004 the Authority Board of Directors authorized
15 extending the term of the sublease for Building 2 to December 31, 2005; and,

16 **WHEREAS**, Island Creative Management has expressed a desire to continue
17 operations in Building 2, and Authority staff recommend such an extension at a 3% increase
18 in the monthly rental rate to \$19,058.34 per month; now therefore be it
19

20 **RESOLVED**, That the Board of Directors hereby authorizes the Executive Director to
21 execute a Third Amendment to the Sublease with Island Creative Management for use of
22 Building 2 in substantially the form attached as Exhibit A to retroactively extend the term up to
23 December 31, 2006 and increase the monthly rental rate by 3% to \$19,058.34 per month,
24
25

1 provided that nothing herein shall limit the Authority's ability to terminate the Sublease on
2 thirty days notice as provided in the Sublease.;

3
4
5
6 **CERTIFICATE OF SECRETARY**
7

8 I hereby certify that I am the duly elected and acting Secretary of the Treasure
9 Island Development Authority, a California nonprofit public benefit corporation, and
10 that the above Resolution was duly adopted and approved by the Board of Directors
11 of the Authority at a properly noticed special meeting on February 22, 2006.
12

13 _____
14 Susan Po-Rufino,
15 Secretary
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RECYCLED PAPER MADE FROM 20% POST CONSUMER CONTENT

THIRD AMENDMENT TO SUBLEASE

between

THE TREASURE ISLAND DEVELOPMENT AUTHORITY

as Sublandlord

and

ISLAND CREATIVE MANAGEMENT LLC

as Subtenant

For the Sublease of

**Building 2 at Naval Station Treasure Island
San Francisco, California**

January 1, 2006

**THIRD AMENDMENT TO
TREASURE ISLAND SUBLEASE**

THIS THIRD AMENDMENT TO SUBLEASE (the "Third Amendment"), 1st day of January 2006, is by and between the Treasure Island Development Authority ("Sublandlord") and Island Creative Management, a Limited Liability Corporation ("Subtenant"). From time to time, Sublandlord and Subtenant together shall be referred to herein as the "Parties".

This Sublease is made with reference to the following facts and circumstances:

A. On December 30 2002, the Parties entered into that certain Sublease (the "Sublease") whereby Sublandlord subleased to Subtenant Building 2, together with a non-exclusive right to use certain parking areas adjacent thereto, all as more particularly shown on the map attached to the Sublease as Exhibit B (the "Premises").

B. On May 12, 2004, the Parties amended the Sublease (the "First Amendment") by extending the term of thereof up to December 31, 2004 on the same terms and conditions contained in the Sublease and on December 8, 2004, the Parties amended the First Amendment by extending the term of thereof up to December 31, 2005 on the same terms and conditions contained in the Sublease. The Sublease, the First Amendment and the Second Amendment are collectively referred to herein as the "Original Sublease."

C. On January 11, 2006, the Authority's Board of Directors authorized the Executive Director to retroactively enter into this Third Amendment.

NOW THEREFORE, Sublandlord and Subtenant hereby agree as follows:

1. Paragraph 3.1 of the Original Sublease is hereby amended to read as follows:

"Term of Sublease. The term of this Sublease (the "Term") shall commence on December 31, 2002 (the "Commencement Date") and continue on a month-to-month basis not to exceed December 31, 2006. Either Party may, in its sole discretion, terminate this Sublease by giving thirty (30) days prior written notice to the other Party. Subtenant hereby acknowledges that the underlying Master Lease with the Navy currently is scheduled to terminate on December 1, 2006, and that Sublandlord anticipates but cannot guarantee that the Navy will extend the term of such Master Lease beyond the date of December 1, 2006. In the event that the Navy refuses to extend the term of the Master Lease, Subtenant agrees that this Sublease shall terminate upon the termination of the Master Lease.

2. Paragraph 4.1 of the Original Sublease is hereby amended to read as follows:

"Base Rent. Beginning on January 1, 2006, Base Rent shall be Nineteen Thousand Fifty-Eight and 34/100 Dollars (\$19,058.34) per month. Base Rent shall be paid to the Sublandlord without prior demand and without any deduction, setoff, or counterclaim whatsoever. Base Rent shall be payable on or before the first day of each month, in

advance, at the Notice Address of Sublandlord provided in Section 20.1 hereof or such other place as Sublandlord may designate in writing. If the Commencement Date occurs on a date other than the first day of a calendar month, or the Sublease terminates on a day other than the last day of a calendar month, then the monthly payment of Base Rent for such fractional month shall prorated based on a thirty (30) day month."

3. Except as expressly amended in this Amendment, all other terms and conditions of the Sublease shall remain in full force and effect.

Sublandlord and Subtenant have executed this Amendment in triplicate as of the date first written above.

SUBTENANT:

**Island Creative Management,
a Limited Liability Corporation**

By: _____

Its: _____

SUBLANDLORD:

Treasure Island Development Authority

By: _____

Its: _____

Approved as to Form:

DENNIS J. HERRERA,
City Attorney

By _____

Deputy City Attorney



AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No: 9

Meeting Date: February 22, 2006

Subject: Presentation of Draft Phasing Plan (Discussion Item)

Staff Contact: Jack Sylvan, Office of Base Reuse and Development

BACKGROUND

Early in 2005, Treasure Island Community Development (TICD) presented a draft phasing plan. Since that time the basic land use plan has evolved to be more dense and compact around a western shore ferry quay and the open space has expanded and become more contiguous. In addition, the team has gathered much more information about horizontal and vertical infrastructure and building requirements and strategies for implementation. Consistent with the iterative nature of the public planning process, the Draft Phasing Plan (Plan), attached as Exhibit A, is a revision of the previous draft.

This preliminary and conceptual document has two primary purposes: (1) to outline key principles to reflect in the term sheet/development concept that will guide the development and refinement of the Phasing Plan from term sheet/development concept stage through the final development agreement; and (2) establish conceptual thinking about how the project will be physically phased, represented by illustrative phasing diagrams, that reflect the current status of the plan and current knowledge of the requirements and parameters for redeveloping the islands consistent with the guiding principles. The Plan incorporates principles outlined in prior draft elements of the development concept, such as the Draft Transportation Plan, Draft Affordable Housing Plan and Draft Community Facilities Plan.

The Plan is intended to primarily represent principles that will directly impact the logistical and technical decisions about phasing of improvements. One additional principle that falls outside this parameter and that will be incorporated into the term sheet is that the Disposition and Development Agreement will include binding performance milestones with remedies for non-performance by TICD.

This Plan was presented to the Treasure Island/Yerba Buena Island Citizen's Advisory Board (TI/YBI CAB) at its February 21, 2006 special meeting. As with all other elements of the planning for the redevelopment of Treasure Island, this Plan will be revised through the iterative public planning and review process and it is expected that a revised version of this document will be prepared to support the presentation of the Term Sheet to the TI/YBI CAB, TIDA Board and Board of Supervisors.

EXHIBITS

A Draft Phasing Plan

TREASURE ISLAND

LEADERSHIP IN SUSTAINABILITY

ESTABLISHING A REGIONAL DESTINATION

A UNIQUE SAN FRANCISCO NEIGHBORHOOD

CREATING COMMUNITY BENEFITS



PRINTED ON 100%
RECYCLED PAPER



Phasing

by **John R. Brinkman**

with **John A. Brinkman**

and **John C. Brinkman**

and **John D. Brinkman**

and **John E. Brinkman**

and **John F. Brinkman**

and **John G. Brinkman**

and **John H. Brinkman**

and **John I. Brinkman**

and **John J. Brinkman**

and **John K. Brinkman**

and **John L. Brinkman**

and **John M. Brinkman**

and **John N. Brinkman**

and **John O. Brinkman**

and **John P. Brinkman**

and **John Q. Brinkman**

and **John R. Brinkman**



Phasing Guiding Principles

Early Phases will focus on land uses that create the new Treasure Island community

- Diversity of Housing, including Affordable Units
- Retail Uses
 - Neighborhood-Serving
 - Destination and Visitor Oriented Retail
- Ferry Quay, Transit Center, and Bus Transit Options
- Open Space Components
- Key Community & Public Facilities
- Welcome Center



Phasing Guiding Principles

- **Affordable Housing** will be phased in conjunction with market rate housing
- **Geotechnical and seismic stabilization** occurs in early phases to protect the existing housing and provide emergency access routes
- **Infrastructure & Public Facilities** are phased with new development and provide continuous, reliable service to existing residents and businesses
- **Housing opportunities** are available for **current residents** prior to the deconstruction of existing residential units
- **Open Space and Recreational Uses** will be developed generally commensurate with housing & commercial uses



Phasing Guiding Principles

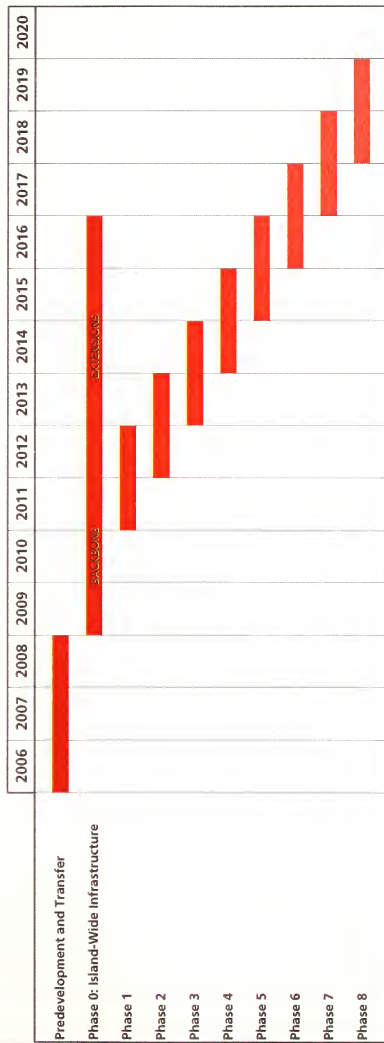
- **Existing community facilities** will be retained until alternatives locations or replacement sites are established
 - Little League Fields
 - Treasure Island Sailing Center
 - Day-Care Facility
 - Gym
 - TIHDI Facilities
 - Life Learning Academy
 - Fire Training Facility
 - Recreation Fields
 - Sailboarding Area
 - Police and Fire Stations
 - Waterfront Park
 - Crossroads Café
 - Treasure Island Yacht Club
 - Interim Commercial Leases, as is appropriate

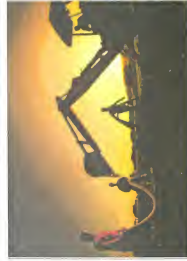


Phasing Guiding Principles

- **Key Sustainability Elements** will be implemented as early as possible, and development will be consistent with the principles established in the Sustainability Plan
- **Select Community Facilities**, outlined in the Draft Community Facilities Plan, will be established in the initial phases of the development
- **Parking Facilities**, either surface lots or structures, will be phased and developed to support related land uses
- **Construction Impacts** on existing residents and business, will be minimized to the extent feasible and may include the use of buffer zones and temporary landscaping features

TREASURE ISLAND PHASING AND SCHEDULE





Phase 0: Island & Off-Island Infrastructure Improvements

- Ferry Quay
- Perimeter and Treasure Island Road Seismic Stabilization (Causeway & Viaduct)
- Backbone Utility Distribution Systems (Water, Sewer, Storm, etc.)
- YBI Water Storage Tanks
- Off-Island Utility Improvements (Electric & Water)
- Environmental Remediation
- Wastewater & Recycled Water Treatment Facility
- Establish Temporary Plant Nursery
- Infrastructure Improvements to Support Existing Housing and Future Development
- Deconstruction Activities as needed
- Temporary Perimeter Trail

Phase 0 – Existing Community Assets



EXISTING COMMUNITY ASSETS

2006

Phase 0 - Island & Off-Island Infrastructure Improvements



PHASE 0: ISLAND-WIDE INFRASTRUCTURE IMPROVEMENTS 2009-2012

2009 - 2011

Phase One

Land Use

- Approximately 700 New Homes
 - 500 on Treasure Island
 - 200 on YBI
- Building One Welcome Center
- Initial Retail: 50,000 to 100,000 sq ft
 - Neighborhood Serving District
 - Ferry Landing Visitor District
- Open Space
 - Building One Plaza
 - Temporary Perimeter Trail
 - YBI Hilltop Park

Infrastructure/Community Facilities

- Community Rooms
- Expanded Marina & Pedestrian Pier
- Ferry Terminal/Plaza/Transit Center
- Treasure Island Museum
- Deconstruction Activities
- Streets and Related Streetscape Improvements
- Extension of Backbone Utility Systems (Water, Sewer, Storm, etc.)
- Info Kiosk
- Bike Storage
- Transportation Coordinator Office



Phase One



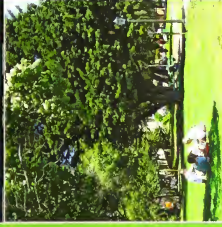
PHASE 1: 2011-2012

2011 - 2012

Phase Two

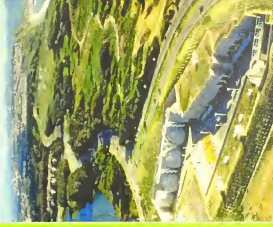
Land Use

- Approximately 525 New Homes (All on TI)
- Open Space
 - Neighborhood Pocket Parks



Infrastructure/Community Facilities

- Central Heating and Air Conditioning Plant
- Police/Fire Facility
- Community Rooms
- Day Care Facility
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems (Water, Sewer, Storm, etc.)



Phase Two



PHASE 2: 2012-2013

2012 - 2013

Phase Three

Land Use Program

- Approximately 600 New Homes (All on TI)
- Commercial
 - 200 Room Full Service Hotel
- Open Space
 - Complete South Cityside/Art Park South
 - Neighborhood Pocket Parks

Infrastructure/Community Facilities

- Community Rooms
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems
(Water, Sewer, Storm, etc.)



Phase Three



PHASE 3: 2013-2014

2013 - 2014

Phase Four

Land Use Program

- Approximately 675 New Homes
 - 575 on Treasure Island
 - 100 on YBI
- Open Space
 - Neighborhood Pocket Parks
 - Development of Urban Farm
 - Open Space Adjacent to TI School
 - YBI Open Space Improvements and Trail Network



Infrastructure/Community Facilities

- Community Rooms
- Treasure Island School
- Corporation Yard
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems (Water, Sewer, Storm, etc.)

Phase Four



PHASE 4: 2014-2015

2014 - 2015

Phase Five

Land Use Program

- Approximately 850 New Homes
- Commercial
 - Retail: 100,000 sq ft
 - Marina Plaza District
 - Marina Promenade District
 - Hotel
 - 70 Room Boutique Hotel
- Open Space
 - Marina Plaza & Community Performance Space
 - Initial Improvements to Marina Edge
 - Neighborhood Pocket Parks

Infrastructure/Community Facilities

- Community Rooms
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems
(Water, Sewer, Storm, etc.)



Phase Five



PHASE 5: 2015-2016

2015 - 2016

Phase Six

Land Use Program

- Approximately 975 New Homes
- Open Space
 - Complete Improvements to the Marinas Edge
 - Neighborhood Pocket Parks
 - Recreation Fields
 - Complete Urban Farm
 - Eastern Shore Open Space

Infrastructure/Community Facilities

- Community Rooms
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems
(Water, Sewer, Storm, etc.)



Phase Six



PHASE 6: 2016-2017

2016 - 2017

Phase Seven

Land Use Program

- Approximately 800 New Homes
 - Signature Tower at Ferry Quay
- Open Space
 - Neighborhood Pocket Parks
 - Complete Cityside Park North/Art Park

Infrastructure/Community Facilities

- Community Rooms
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems
(Water, Sewer, Storm, etc.)



Phase Seven



PHASE 7: 2017-2018

2017 - 2018

Phase Eight

Land Use Program

- Approximately 375 New Homes
- Commercial
 - Conference Hotel 300 Rooms
 - Renovation of Historic Hangars and Great Whites
- Open Space
 - Recreation Fields Part 2
 - Pier One Plaza
 - Great Park w/Wetlands & Environmental Education Center
 - Finish Perimeter Trail
 - Finish YBI Open Space
 - Nimitz Garden

Infrastructure/Community Facilities

- Community Rooms
- Streets and Related Streetscape Improvements
- Deconstruction
- Extension of Backbone Utility Systems (Water, Sewer, Storm, etc.)



Phase Eight



PHASE 8: 2018-2019

2018 - 2019

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 10

Special Meeting of February 22, 2006

Subject: Amending the Bylaws of the Treasure Island Development Authority to Require the Authority Board of Directors to Hold At Least Two Special Meetings on Treasure Island Per Calendar Year (*Action Item*)

Staff Contact/Phone: Peter Summerville (415) 274-0660

SUMMARY OF PROPOSED ACTION

This item seeks Authority Board approval of an amendment to the Bylaws of the Authority requiring the Board of Directors to hold meetings on Treasure Island at least twice per calendar year.

BACKGROUND:

On May 2, 1977, the Board of Supervisors approved Resolution No. 380-97 authorizing the creation of the nonprofit public benefit corporation known as the Treasure Island Development Authority to develop the former Treasure Island Naval Base and approving the original TIDA Bylaws. The Bylaws gave the TIDA Board the authority to amend the bylaws with the consent of the Mayor. (Original Bylaws, Section 3.) In 1998, and again in 2004, the TIDA Board made revisions to the Bylaws, approved by the Mayor. The original TIDA Bylaws, as subsequently amended, are collectively referred to herein as the "Bylaws."

Article V, Sections 10, 11 and 12 of the Bylaws empowers the Authority Board of Directors to call regular and special meetings, and to set the time, place and location of such meetings. Acting under the provisions of Article V, Section 10 of the Bylaws, on February 25, 1998 the Board approved Resolution 98-03-2/25, which set Rules of Order for the Authority, among which were setting the San Francisco Ferry Building as the regular meeting place of the Authority Board and setting the third Wednesday of each month as the regular meeting date of the Authority Board. On January 20th, 1999 acting under the provisions of Article V, Section 11 of the Bylaws the Board approved Resolution 99-01-01/20 which amended the Authority's bylaws as to change the place of the regular meeting of the Board to San Francisco City Hall and change the date to the second Wednesday of each month.

Apart from its regular monthly meetings, Article V, Section 12 of the Bylaws allows the Authority to call special meetings of the Board of Directors, provided these special meetings are called in accordance with the provisions of the Ralph M. Brown Act of the State of California ("Brown Act") and the San Francisco Sunshine Ordinance of the City

and County of San Francisco ("Sunshine Ordinance"). Any meeting of the Authority Board other than a regular meeting as described above is considered a special meeting of the Board. Section 67.6(f) of the Sunshine Ordinance requires an advance notice of 15 days of all special meetings to be held at an alternate location from the place of the Board's regular meetings. Section 67.6(f) also requires that such 15 day notice of special meeting specify the business to be transacted at such special meeting and prohibits the Board's consideration of any other business at such special meeting.

Members of the Authority Board have expressed a desire to meet on Treasure Island as a means of actively engaging the Islands' community and providing alternate opportunities for the community to provide feedback to the Authority Board. The proposed Third Amendment would amend Section 12 of Article V of the Second Amended and Restated Bylaws to require the Board of Directors to hold no less than two properly noticed special meetings each calendar year on Treasure Island:

A copy of the proposed amendment to Section 12 of Article V of the Bylaws is attached as Exhibit B

RECOMMENDATION:

Staff recommends approval of the Third Amendment to the Bylaws of the Treasure Island Development Authority

EXHIBITS:

- A. Text of sections of the Ralph M. Brown Act and San Francisco Sunshine Ordinance pertaining to special meetings of public bodies
- B. Proposed amendment to Section 12 of Article V of the Bylaws of the Treasure Island Development Authority

[Amending the Bylaws of the Treasure Island Development Authority]

Amending the Bylaws of the Treasure Island Development Authority to Require the Authority Board of Directors to Hold At Least Two Special Meetings on Treasure Island Per Calendar Year

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter 1333 of the Statutes of 1968 (the "Act"), the California Legislature (I) designated the Authority as a redevelopment agency under California redevelopment law with authority over the Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the Base which are subject to Tidelands Trust, vested in the Authority the Authority to administer the public trust for commerce, navigation and fisheries as to such property; and

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency for Treasure Island in 1997; and,

WHEREAS, On February 25, 1998 the Board of Directors for the Authority approved and adopted the Bylaws of the Authority, and on May 20, 1998, the Board of Directors for the Authority approved and adopted the First Amended and Restated Bylaws of the Authority, and on April 14, 2004 the Board of Directors for the Authority approved and adopted the Second

1 Amended and Restated Bylaws of the Authority. The Bylaws as amended are referred to
2 herein as the "Bylaws"; and

3 WHEREAS, In order to provide for outreach to the community on Treasure and Yerba
4 Buena Islands and to allow for increased public participation by the Islands' community the
5 Authority Board of Directors wishes to meet at least twice per calendar year on Treasure
6 Island ; and

7 WHEREAS, The Board of Directors therefore wishes to amend Article V, Section 12 of
8 the Bylaws to add a provision requiring at least two special meetings of the Board of Directors
9 per calendar year be held at a time, date, and location on Treasure Island to be determined by
10 the Board; now therefore be it

11 RESOLVED, That the Authority Board of Directors hereby adopts and approves the
12 amendment to Section 12 of Article V of the Bylaws attached to this resolution as Exhibit A;
13 and,

14 FURTHER RESOLVED, That the Secretary of the Authority is hereby directed to
15 execute a Certificate of Adoption of said amendment to Section 12 of Article V of the Bylaws
16 and insert such amendment into a Third Amended and Fully Restated Bylaws as so certified
17 in the Minute Book of the Authority, submit such Third Amended and Fully Restated Bylaws to
18 the Mayor for the Mayor's written consent, and upon receipt of the Mayor's written consent, to
19 keep a copy of such Minute Book at the principal office of the Authority.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed special meeting on February 22, 2006.

Susan Po-Rufino, Secretary

1
2
3 Exhibit A
4

5 (Proposed Amendment to Section 12 of Article V of the Bylaws)
6
7

8
9 "Section 12. Special Meetings. Subject to Section 14 of this Article V, below, special
10 meetings of the Board may be called in accordance with the provisions of Section 54956 of
11 the Government Code of the State of California. The Board shall call and hold at least two
12 special meetings per year at a date, time, and location on Treasure Island to be determined
13 by resolution of the Board."
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Exhibit A

San Francisco Administrative Code, Section 67 (San Francisco Sunshine Ordinance) Article II: Section. 67.6. - Conduct of Business, Time and Place for Meetings

(f) "Special meetings of any policy body, including advisory bodies that choose to establish regular meeting times, may be called at any time by the presiding officer thereof or by a majority of the members thereof, by delivering personally or by mail written notice to each member of such policy body and the local media who have requested written notice of special meetings in writing. Such notice of a special meeting shall be delivered as described in (e) at least 72 hours before the time of such meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the presiding officer or secretary of the body or commission a written waiver of notice. Such waiver may be given by telegram. Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. Each special meeting shall be held at the regular meeting place of the policy body except that the policy body may designate an alternate meeting place provided that such alternate location is specified in the notice of the special meeting; further provided that the notice of the special meeting shall be given at least 15 days prior to said special meeting being held at an alternate location. (emphases added) This provision shall not apply where the alternative meeting location is located within the same building as the regular meeting place."

California Government Code, Chapter 9 of Part 1 of Division 2 of Title 5 (Ralph M. Brown Act) Section 54956

"A special meeting may be called at any time by the presiding officer of the legislative body of a local agency, or by a majority of the members of the legislative body, by delivering written notice to each member of the legislative body and to each local newspaper of general circulation and radio or television station requesting notice in writing. The notice shall be delivered personally or by any other means and shall be received at least 24 hours before the time of the meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the legislative body. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the clerk or secretary of the legislative body a

written waiver of notice. The waiver may be given by telegram. The written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.”

Exhibit B

(Proposed Amendment to Section 12 of Article V of the Bylaws)

"Section 12. **Special Meetings.** Subject to Section 14 of this Article V, below, special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California. The Board shall call and hold at least two special meetings per year at a date, time, and location on Treasure Island to be determined by resolution of the Board."

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No: 11

Meeting Date: February 22, 2006

Subject: Voice of the Pentecost Notice of Termination of Sublease (*Discussion Item*)

Staff Contact: Marc McDonald
Facilities Manager (415) 274-0660

BACKGROUND

On June 1, 2005, Voice of the Pentecost ("VOP") entered into a sublease with the Treasure Island Development Authority for the use of the Building 3 Hangar for a term that expires on March 31, 2006.

Base rent for the 144,767 sq. ft. building is \$17,372.04 (\$0.12 psf) per month. Rent is due on the first day of the month without demand. VOP has been in default of its rent payment obligation since January 1, 2006. On January 10, 2006 VOP was sent a notice of late rent via 1st Class mail, which included a demand for immediate payment of rent plus penalties. On January 30, 2006, VOP was sent a 30 Day Notice of Termination by receipted hand delivery, stating in part that the sublease will be terminated on February 28, and that the building must be vacated by March 1, 2006. One copy of each notice is attached.

Unless VOP cures its default in full, including late fees and default interest, staff intends to commence unlawful detainer proceedings.

EXHIBITS:

A. January 10, 2006 & January 30, 2006 letters from TIDA to Voice of Pentecost



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TREASURE ISLAND DEVELOPMENT AUTHORITY
410 Market Street, Suite 1000
San Francisco, CA 94102
(415) 274-1100, Fax (415) 274-1101
www.tida.org

Mr. Richard Gazowsky
VOICE of PENTECOST, INC.
1970 Ocean Avenue
San Francisco, CA 94177

January 10, 2006

Re: Late Rent

Dear Mr. Gazowsky:

Please consider this a demand for immediate payment of Base Rent in the amount of \$17,372.03 in accord with Section 4.1 (Rent) of the Sublease Agreement between The Treasure Island Development Authority as Sublandlord and Voice of Pentecost, Inc., as Subtenant for the Sublease of Building 3 at Treasure Island Naval Station, San Francisco, California.

As of this date the Treasure Island Development Authority (TIDA) has not received rent for the month of January 2006. According to Section 4.1 of the sublease Base Rent is due and payable on the first day of each month in advance.

Further, pursuant to Section 4.4 (Late Charge), "If subtenant fails to pay any Rent within ten (10) days after the date the same is due and payable, such unpaid amount will be subject to a late payment charge equal to 6% of the unpaid amount in each instance." TIDA records do not indicate receipt of payment as of January 10, 2006. Late Charge for the month of January will be \$1,042.32.

Further, pursuant to Section 4.5 (Default Interest), "If any rent is not paid within ten (10) days following the due date, such unpaid amount shall bear interest from the due date until paid at the rate of the greater interest rate or floor which has been established by the Secretary of the Treasury pursuant to Public Law, as described in Section 33 of the Master Lease, or ten percent (10%) per year."

It is imperative that you make payment of rent and penalties due immediately.

If you have any questions or comments please respond in writing.

Sincerely,


Marc McDonald
Facilities Manager



January 30, 2006

Return Receipt Requested

VOICE OF PENTECOST, INC.
1970 Ocean Ave.
San Francisco, CA 94127
Attention: Mr. Richard Gazowsky

Re: Building 3 at Treasure Island Naval Station San Francisco, California - 30-DAY
NOTICE OF TERMINATION

Dear Mr. Gazowsky,

VOICE OF PENTECOST, INC. IS HEREBY NOTIFIED that its tenancy in Building 3 at Treasure Island Naval Station in the City and County of San Francisco is being terminated. On June 1, 2005, the Voice of Penetcost, Inc. ("VOP") entered into a Sublease with the Treasure Island Development Authority ("TIDA") for Building 3 subject and subordinate to the terms and conditions of a Master Lease between the United States Government (acting by and through its Navy) and the TIDA. Under the Sublease, VOP agreed to pay Base Rent in the amount of \$17,372.04 without prior demand on or before the first of each month. On or about January 10, 2006, Marc McDonald of the Treasure Island Development Authority sent VOP the attached letter ("Demand Letter") notifying VOP of its default in the Sublease and demanding that VOP immediately pay its Base Rent together with a 6% late payment charge as set forth in Section 4.4 of the Sublease and all accrued default interest as set forth in Section 4.5 of the Sublease. As of the date of this letter, VOP has not paid any of the amounts set forth in the Demand Letter. Effective February 28, 2006, the Sublease will be terminated, and on behalf of the Treasure Island Development Authority, I demand that you quit and surrender possession of the premises known as Building 3 on Treasure Island by no later than March 1, 2006.

If VOP has not vacated Building 3 by March 1, 2006, TIDA is prepared to take every action available to TIDA under the Sublease, at Law or in equity including without limitation, the right to recover attorneys' fees as set forth in the Sublease.

Sincerely,


Marc McDonald

AGENDA ITEM
Treasure Island Development Authority
City and County of San Francisco

Agenda Item No. 12

February 22, 2006

Subject: Resolution Authorizing the Executive Director to Execute a No-Fee Use Permit with the Treasure Island Job Corps for Use of the Building One Lobby Space for the Purpose of Holding a Job Faire (*Action Item*)

Staff Contact/Phone: Marianne Mazzucco Thompson (415) 274-0660

SUMMARY OF PROPOSED ACTION

Approval of a no-fee use permit between the Authority and the Treasure Island Job Corps for the use of the Building One Lobby as the site of a Job Faire for the Treasure Island community.

BACKGROUND:

Based on meetings held with the San Francisco Island Community Association (SFICA), the Treasure Island Job Corps, the Delancey Life Learning Academy and the Mayor's Office of Neighborhood Services (MONS), Authority staff has identified the need for an on-Island Job Faire for the residents and students of Treasure and Yerba Buena Islands.

The Job Faire is scheduled for Friday March 17th from 10:00 AM to 4:00 PM, and Saturday, March 18th, 2006 from 11:00 AM to 4:00 PM. It will be open to all residents of Treasure and Yerba Buena Island. In addition, all 800 students of the Treasure Island Job Corps are committed to attend the event, as are the 120 students of the Life Learning Academy. The Friday and Saturday dates were selected in order to accommodate the varied schedules of Island residents.

Through the combined efforts of Job Corps, MONS and TIDA, numerous corporations and job-placement agencies have committed to being represented at this event, including The Bay Area Job Consortium, Clean Slate, the San Francisco One Stop, Mission Hiring, EDD, City Build, Work Force Solutions, City College of San Francisco, Macy's, Fed Ex, Starbucks, The Port of Oakland, Kaiser, Jamba Juice, Wells Fargo, and Citi Bank.

Due to space and accessibility considerations the first floor lobby area of Building One has been identified as the best location for this event. The Building One lobby is one of TIDA's revenue-generating special events spaces and is rented frequently for events, receptions and trade shows. The standard fee for groups wishing to rent the space for an event is \$3,000 per day. As the Job Faire is a community-based event accessible to the entire Island community, Job Corps has requested a waiver of the standard rental fee for use of this space. Treasure Island Job Corps has committed to properly insure use of the Building One Lobby Space for the two day event. The proposed Use Permit before the Board is for use of the Building One lobby space, at no cost and for a two day period, for the purposes of MONS, TIDA and the Job Corps collaboratively staging the Job Faire

RECOMMENDATION:

Staff recommends approval of the No-Fee Use Permit with the Treasure Island Job Corps, provided that TIDA staff receive and approve satisfactory evidence of insurance in accordance with TIDA's customary practice in connection with Use Permits.

EXHIBITS:

- A. No-Fee Use Permit between TIDA and the Treasure Island Job Corps for the Building 1 Lobby Space

1 [Use Permit with Treasure Island Job Corps for the Building One Lobby]

2 **AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A NO-FEE USE PERMIT WITH**
3 **THE TREASURE ISLAND JOB CORPS FOR USE OF THE BUILDING ONE LOBBY**
4 **SPACE FOR THE PURPOSE OF HOLDING A JOB FAIRE**
5

6 WHEREAS, Former Naval Station Treasure Island is a military base located on
7 Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by
8 the United States of America ("the Federal Government"); and,

9 WHEREAS, The Base was selected for closure and disposition by the Base
0 Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its
1 subsequent amendments; and,

2 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
3 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
4 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
5 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
6 conversion of the Base for the public interest, convenience, welfare and common benefit of
7 the inhabitants of the City and County of San Francisco; and,

8 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
9 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
0 1333 of the Statutes of 1968 (the "Act"), the California Legislature (i) designated the Authority
1 as a redevelopment agency under the California Redevelopment Law with authority over the
2 Base upon approval of the City's Board of Supervisors, and (ii) with respect to those portions
3 of the Base which are subject to Tidelands Trust, vested in the Authority the authority to
4 administer the public trust for commerce, navigation and fisheries as to such property; and
5

1 WHEREAS, the need [state why a Job Faire is needed – e.g., a substantial number of
2 residents at TI/YBI are unemployed or underemployed, or community meetings have resulted
3 in a widespread call for a job fair] for a Job Faire open to the entire Island community, has
4 been identified through the collaborative efforts of the Authority, the Treasure Island Job
5 Corps and the Mayor's Office of Neighborhood Services; and

6 WHEREAS, the lobby of the Treasure Island Administration Building, commonly known
7 as Building One, has been identified as an appropriate location for this event, which is
8 scheduled for March 17 and 18th, 2006; and

9 WHEREAS, Treasure Island Job Corps has agreed to enter into a Use Permit with the
10 Authority for the lobby space in Building One in order to assure proper permitting and
11 insurance coverage of the event; and

12 WHEREAS, in consideration of the community benefit this event will provide, the
13 Treasure Island Job Corps is requesting the Authority waive the event-venue rental fee of
14 \$3,000.00 that TIDA would normally charge for such use of the lobby area; now therefore be it
15

16 RESOLVED, That the Authority hereby finds and determines that the Job Faire would
17 provide a service to the Treasure Island community and therefore serves a public purpose;
18 and,

19 FURTHER RESOLVED, That the Authority hereby authorizes the Executive Director to
20 Execute a No-Fee Use Permit with the Treasure Island Job Corps for Use of the Building One
21 Lobby for the time period March 17th through March 18th, 2006 for the purpose of holding a
22 Job Faire in substantially the form of Use Permit attached to this resolution as Exhibit A.
23
24
25

1
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3
4
5 **CERTIFICATE OF SECRETARY**

6 *I hereby certify that I am the duly elected and acting secretary of the Treasure*
7 *Island Development Authority, a California nonprofit public benefit corporation, and*
8 *that the above Resolution was duly adopted and approved by the Board of Directors of*
9 *the Authority at the Properly noticed special meeting on February 22, 2006.*
10

11
12 _____
Susan Po-Rufino, Secretary
13
14
15



RECYCLED PAPER MADE FROM 30% POST CONSUMER CONTENT

USE PERMIT

This Use Permit (this "Permit") dated for reference only as February 16, 2005 is made by and between the Treasure Island Development Authority ("Authority") and the Treasure Island Job Corps ("Permittee").

RECITALS

WHEREAS, pursuant to that certain License for Nonfederal Use of Real Property, (the "Master License"), by and between the Authority and the Department of Navy (the "Navy"), a copy of which is attached hereto as Exhibit A, the Authority has the right to use that certain property located on Naval Station Treasure Island commonly known as the Building 1 Lobby and portions of the parking areas adjacent thereto, all as more particularly shown on Exhibit B hereto (the "Premises"); and

WHEREAS, Permittee seeks to use the Premises for the purposes stated herein, subject to the terms and conditions of this Permit.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, Authority and Permittee agree as follows:

1. License. Authority confers to Permittee a revocable, personal, non-exclusive and non-possessory privilege to enter upon and use the Premises for the limited purpose and subject to the terms, conditions and restrictions set forth below. The privilege given to Permittee under this Permit is effective only insofar as the rights of Authority in the Premises are concerned, and Permittee shall obtain any further permission necessary because of any other existing rights affecting the Premises, or any portion thereof.

2. Inspection of Premises. Permittee represents and warrants that Permittee has conducted a thorough and diligent inspection and investigation, either independently or through its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns, and each of them, ("Permittee's Agents") of the Premises and the suitability of the Premises for Permittee's intended use. Permittee is fully aware of the needs of its operations and has determined, based solely on its own investigation, that the Premises are suitable for its operations and intended uses.

3. As Is; Disclaimer of Representations. Permittee acknowledges and agrees that the Premises are being permitted and accepted in their "AS IS, WITH ALL FAULTS" condition, without representation or warranty of any kind, and subject to all applicable laws, statutes, ordinances, resolutions, regulations, proclamations, orders or decrees of any municipal, county, state or federal government or other governmental or regulatory authority with jurisdiction over the Premises, or any portion thereof, whether currently in effect or adopted in the future and whether or not in the contemplation of the Parties ("Laws") governing the use, occupancy, management, operation and possession of the Premises. Without limiting the foregoing, this Permit is made subject to any and all covenants, conditions, restrictions, easements and other title matters affecting the Premises, or any portion thereof, whether or not of record. Permittee acknowledges and agrees that neither Authority nor any of its officers, directors, employees, agents, affiliates, subsidiaries, licensees and contractors, and their respective heirs, legal representatives, successors and assigns ("Authority's Agents") have made, and Authority hereby disclaims, any representations or warranties, express or implied, concerning (i) title or survey matters affecting the Premises, (ii) the physical, geological, seismological or environmental condition of the Premises, (iii) the quality, nature or adequacy of any utilities

serving the Premises, (iv) the feasibility, cost or legality of constructing any Alterations on the Premises if required for Permittee's use and permitted under this Permit, (v) the safety of the Premises, whether for the use of Permittee or any other person, including Permittee's Agents or Permittee's clients, customers, vendors, invitees, guests, members, licensees, assignees or permittees ("Permittee's Invitees"), or (vi) any other matter whatsoever relating to the Premises or their use, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose.

4. Seismic Report and Structural Report. Without limiting Section 3 above, Permittee expressly acknowledges for itself and Permittee's Agents that it received and read that certain report dated August 1995, entitled "*Treasure Island Reuse Plan: Physical Characteristics, Building and Infrastructure Conditions*," prepared for the Office of Military Base Conversion, Department of City Planning, and the Redevelopment Agency of the City and County of San Francisco, (the "Seismic Report"), a copy of the cover page of which is attached hereto as Exhibit C. Permittee has had an adequate opportunity to review the Seismic Report with expert consultants of its own choosing. The Seismic Report, among other matters, describes the conditions of the soils on Treasure Island and points out that in the area of the Property where the Premises are located, an earthquake of magnitude 7 or greater is likely to cause the ground under and around the Premises to spread laterally to a distance of ten (10) or more feet and/or result in other risks. In that event, there is a significant risk that buildings and any other structures or improvements located on or about the Premises may fail structurally and collapse. Permittee further expressly acknowledges for itself and Permittee's Agents that it received and read that certain *Treasure Island Study, Seismic Evaluation of Building 1* prepared by SOH & Associates, a copy of which is attached hereto as Exhibit D (the "Structural Report"). The Structural Report, among other matters, notes that during an earthquake of magnitude 7 or greater, the buildings and any other structures or improvements located on or about the Premises may not provide life-safety for occupants in the event of an earthquake.

5. Use of Premises. Permittee may enter and use the Premises for the sole purpose of a public job fair event with no more than 800 people each day, which shall be free to all residents of Treasure Island and Yerba Buena Island.

6. Restrictions on Use. Permittee agrees that, by way of example only and without limitation, the following uses of the Premises by Permittee, or any other person claiming by or through Permittee, are inconsistent with the limited purpose of this Permit and are strictly prohibited as provided below:

(a) Hazardous Material. Permittee shall not cause, nor shall Permittee allow any of its Agents or Invitees (as such terms are defined below) to cause, any Hazardous Material (as defined below) to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises without the prior written consent of Authority. Permittee shall immediately notify Authority when Permittee learns of, or has reason to believe that, a release of Hazardous Material has occurred in, on or about the Premises. Permittee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Permittee or its Agents or Invitees cause a release of Hazardous Material, Permittee shall, without cost to Authority and in accordance with all laws and regulations, return the Premises to the condition immediately prior to the release. In connection therewith, Permittee shall afford Authority a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Material. For purposes hereof, "**Hazardous Material**" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time

now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Sections 9601 *et seq.*, or pursuant to Section 25316 of the California Health & Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Premises or are naturally occurring substances in the Premises, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids. The term "**release**" or "**threatened release**" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Premises.

(b) Nuisances. Permittee shall not conduct any activities on or about the Premises that constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to Authority, to the owners or occupants of neighboring property or to the public.

(c) Damage. Permittee shall not do anything about the Premises that could cause damage to the Premises or any Authority property.

(d) Parking. Permittee shall be allowed to park up to 200 vehicles in the area designated for parking on Exhibit B attached hereto. To the extent practicable, Permittee shall use its best efforts to encourage ride-sharing, the use of shuttle busses or other pooled-means of transportation to and from the Premises.

7. Alterations. Except as otherwise expressly provided herein, Permittee shall not construct or place any temporary or permanent structures or improvements in, on, under or about the Premises, nor shall Permittee make any alterations or additions to any of existing structures or improvements on the Premises, unless Permittee first obtains Authority's prior written consent, which Authority may give or withhold in its sole and absolute discretion.

8. Permit Fees. In consideration of the public service provided by the Job Faire, the Authority waives its standard fee in the amount of \$3,000.00.

9. Term of Permit. The privilege conferred to Permittee pursuant to this Permit shall commence on March 16, 2006, March 17, 2006, and March 18, 2006, from 9:00AM to 5:00PM on each day, and shall automatically expire on March 18, 2006 at 5:00PM. Moreover, if the Master License terminates for any reason whatsoever, this Permit shall automatically terminate.

10. Compliance with Laws. Permittee shall, at its expense, conduct and cause to be conducted all activities on the Premises allowed hereunder in a safe and reasonable manner and in compliance with all laws, regulations, ordinances and orders of any governmental or other regulatory entity (including, without limitation, the Americans with Disabilities Act) whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. Permittee shall, at its sole expense, procure and maintain in force at all times during its use of the Premises any and all business and other licenses or approvals necessary to conduct the activities allowed hereunder. Permittee understands and agrees that Authority is entering into this Permit in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Permittee further understands and agrees that no approval by Authority for purposes of this Permit shall be deemed to constitute approval of any federal, state, Authority or other local regulatory authority with jurisdiction, and nothing

herein shall limit Permittee's obligation to obtain all such regulatory approvals at Permittee's sole cost or limit in any way Authority's exercise of its police powers. Without limiting the foregoing, before beginning any work in the Premises, Permittee shall obtain any and all permits, licenses and approvals (collectively, "approvals") of all regulatory agencies and other third parties that are required to commence and complete the permitted work.

11. Security. In addition to the Permit Fee described in section 8 above, Permittee shall pay all cost of providing the security services described on Exhibit E attached hereto.

12. Surrender. Upon the expiration of this Permit, Permittee shall surrender the Premises in the same condition as received, free from hazards and clear of all debris. At such time, Permittee shall remove all of its property from the Premises permitted hereunder, and shall repair, at its cost, any damage to the Premises caused by such removal. Permittee's obligations under this Section shall survive any termination of this Permit.

13. RELEASE AND WAIVER OF CLAIMS; INDEMNIFICATION

13.1. Release and Waiver of Claims. Permittee, on behalf of itself and Permittee's Agents, covenants and agrees that the Authority shall not be responsible for or liable to Permittee for, and, to the fullest extent allowed by any Laws, Permittee hereby waives all rights against the Authority and releases them from, any and all claims, demands, losses, liabilities, damages, liens, injuries, penalties, fines, lawsuits and other proceedings, judgments and awards and costs and expenses, including, without limitation, reasonable attorneys' and consultants' fees and costs ("Losses"), including, but not limited to, incidental and consequential damages, relating to any injury, accident or death of any person or loss or damage to any property, in or about the Premises, from any cause whatsoever, including without limitation, partial or complete collapse of the buildings thereon due to an earthquake or subsidence, except only to the extent such Losses are caused exclusively by the gross negligence or willful misconduct of the Authority (except as provided in Section 13.1(a) below). Without limiting the generality of the foregoing:

(a) Without limiting any other waiver contained herein, Permittee on behalf of itself and its successors and assigns, hereby waives its right to recover from, and forever RELEASES, WAIVES AND DISCHARGES, the Authority from any and all Losses, whether direct or indirect, known or unknown, foreseen and unforeseen, that may arise on account of or in any way be connected with the Authority's decision to allow Permittee to use the Premises, regardless of whether or not such decision is or may be determined to be an act of gross negligence or willful misconduct of the Authority.

(b) Permittee covenants and agrees never to file, commence, prosecute or cause to be filed, commenced or prosecuted against the Authority any claim, action or proceeding based upon any claims, demands, causes of action, obligations, damages, losses, costs, expenses or liabilities of any nature whatsoever encompassed by the waivers and releases set forth in this Section 13.1.

(c) In executing these waivers and releases, Permittee has not relied upon any representation or statement other than as expressly set forth herein.

(d) Permittee had made such investigation of the facts pertaining to these waivers and releases it deems necessary and assumes the risk of mistake with respect to such facts. These waivers and releases are intended to be final and binding on Permittee regardless of any claims of mistake.

(e) In connection with the foregoing releases, Permittee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

13.2. Acknowledgment. Permittee acknowledges that the releases contained herein includes all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Permittee realizes and acknowledges that it has agreed upon this Permit in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The waivers and releases contained herein shall survive any termination of this Permit.

13.3. Permittee's Indemnity. Permittee, on behalf of itself and Permittee's Agents, shall indemnify, protect, defend and hold harmless forever ("Indemnify") the Authority from and against any and all Losses, expressly including but not limited to, any Losses arising out of a partial or complete collapse of any building located on the Premises due to an earthquake or subsidence, incurred in connection with or arising directly or indirectly, in whole or in part, out of: (a) any damage to or destruction of any property owned by or in the custody of Permittee or Permittee's Agents or Permittee's Invitees, (b) any accident, injury to or death of a person, including, without limitation, Permittee's Agents and Permittee's Invitees, howsoever or by whomsoever caused, occurring in, on or about the Premises (c) any default by Permittee in the observation or performance of any of the terms, covenants or conditions of this Permit to be observed or performed on Permittee's part; (d) the use, occupancy, conduct or management, or manner of use, occupancy, conduct or management by Permittee, Permittee's Agents or Permittee's Invitees or any person or entity claiming through or under any of them, of the Premises or any Alterations; (e) the condition of the Premises, (f) any construction or other work undertaken by Permittee on or about the Premises whether before or during the Term of this Permit; or (g) any acts, omissions or negligence of Permittee, Permittee's Agents or Permittee's Invitees, or of any trespassers, in, on or about the Premises or any alterations; except to the extent that such Indemnity is void or otherwise unenforceable under any applicable Laws in effect on or validly retroactive to the date of this Permit and further except only to the extent such Losses are caused by the gross negligence and intentional wrongful acts and omissions of the Authority. Notwithstanding the foregoing, Permittee's obligations to indemnify the Authority under this Section 13.3 shall remain in full force and effect regardless of whether or not the Authority's decision to permit the Premises to the Permittee, given the seismic condition of the property, is or may be determined to be an act of gross negligence or willful misconduct of the Authority. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and Authority's costs of investigating any Loss. Permittee specifically acknowledges and agrees that it has an immediate and independent obligation to defend Authority from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Permittee by Authority and continues at all times thereafter. Permittee's obligations under this Section shall survive the expiration or sooner termination of this Permit. Notwithstanding anything contained herein, to the extent such Losses are not covered by insurance required herein and subject to this Section 13.3, Permittee shall have no obligation to repair, restore or reconstruct the Premises (or to pay for the same) in the event the Premises are damaged or destroyed by an earthquake or subsidence or by any other uninsured casualty.

14. INSURANCE

14.1. Permittee's Insurance. Permittee shall procure and maintain throughout the Term of this Permit and pay the cost thereof the following insurance:

(a) Worker's Compensation, with Employers' Liability Limits not less than \$1,000,000 each accident; and

(b) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Host Liquor Liability, Personal Injury, Broad Form Property Damage, Products and Completed Operations; and

(c) Automobile liability insurance with limits not less than \$1,000,000 each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, if Permittee uses, or causes to be used, any automobiles in connection with its use of the Premises.

14.2. General Requirements. All insurance provided for under this Permit shall be effected under valid enforceable policies issued by insurers of recognized responsibility and reasonably approved by Authority.

(a) Should any of the required insurance be provided under a claims-made form, Permittee shall maintain such coverage continuously throughout the term hereof and, without lapse, for a period of one (1) year beyond the expiration or termination of this Permit, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Permit, such claims shall be covered by such claims-made policies.

(b) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(c) All liability insurance policies shall be endorsed to provide the following:

(i) Cover Permittee as the insured and the Authority as an additional insured.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Permit, and that insurance applies separately to each insured against whom claim is made or suit is brought. Such policies shall also provide for severability of interests and that an act or omission of one of the named insureds which would void or otherwise reduce coverage shall not reduce or void the coverage as to any insured, and shall afford coverage for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period.

14.3. Proof of Insurance. Permittee shall deliver to Authority certificates of insurance in form and with insurers satisfactory to Authority, evidencing the coverages required hereunder, on or before the commencement date of this Permit, together with complete copies of the policies promptly upon Authority's request. In the event Permittee shall fail to procure such insurance, or to deliver such policies or certificates, Authority may, at its option, procure the same for the account of Permittee, and the cost thereof shall be paid to Authority within five (5) days after delivery to Permittee of bills therefor.

14.4. No Limitation on Indemnities. Permittee's compliance with the provisions of this Section shall in no way relieve or decrease Permittee's indemnification obligations herein or any of Permittee's other obligations or liabilities under this Permit.

14.5. Lapse of Insurance. Notwithstanding anything to the contrary in this Permit, Authority may elect in Authority's sole and absolute discretion to terminate this Permit upon the lapse of any required insurance coverage by written notice to Permittee.

14.6. Permittee's Personal Property. Permittee shall be responsible, at its expense, for separately insuring Permittee's Personal Property.

14.7. Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, Authority and Permittee each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Premises and their contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Premises, or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Permittee does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Permittee shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against Authority or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

15. No Assignment. This Permit is personal to Permittee and shall not be assigned, conveyed or otherwise transferred by Permittee under any circumstances.

16. MacBride Principles - Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Permittee acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland.

17. Non-Discrimination. Permittee shall not, in the operation and use of the Premises, discriminate against any person or group of persons solely because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, gender identity, disability or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC). The provisions of Chapters 12B and 12C of the San Francisco Administrative Code, relating to nondiscrimination by parties contracting with the City and County of San Francisco, are incorporated herein by reference and made a part hereof as though fully set forth herein. Permittee agrees to comply with all of the provisions of such Chapters 12B and 12C that apply to parties contracting with the City and County of San Francisco.

18. Tropical Hardwoods and Virgin Redwood. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood product, virgin redwood, or virgin redwood product.

19. No Tobacco Advertising. Permittee acknowledges and agrees that no advertising of cigarettes or tobacco products is allowed on any real property owned by or under the control of the Authority, including the property which is the subject of this Permit. This prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This prohibition does not apply to any advertisement sponsored by a state, local or nonprofit entity designed to communicate the health hazards of cigarettes and tobacco products or to encourage people not to smoke or to stop smoking.

20. Security Deposit. Not Applicable.

21. Rules and Regulations. In connection with the Permittee's use hereunder, Permittee shall comply with the Rules and Regulations attached hereto as Exhibit E.

22. General Provisions. (a) This Permit may be amended or modified only by a writing signed by Authority and Permittee. (b) No waiver by any party of any of the provisions of this Permit shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) This instrument (including the exhibit(s) hereto) contains the entire agreement between the parties and all prior written or oral negotiations, discussions, understandings and agreements are merged herein. (d) The section and other headings of this Permit are for convenience of reference only and shall be disregarded in the interpretation of this Permit. (e) Time is of the essence. (f) This Permit shall be governed by California law and Authority's Charter. (g) If either party commences an action against the other or a dispute arises under this Permit, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees of Authority shall be based on the fees regularly charged by private attorneys in San Francisco with comparable experience. (h) If Permittee consists of more than one person then the obligations of each person shall be joint and several. (i) Permittee may not record this Permit or any memorandum hereof. (j) Subject to the prohibition against assignments or other transfers by Permittee hereunder, this Permit shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, successors and assigns. (k) Any sale or conveyance of the property burdened by this Permit by Authority shall automatically revoke this Permit. (l) This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

PERMITTEE:

Treasure Island Job Corps

By: _____

Name: _____

Its: _____

Treasure Island Development Authority

By: _____

Deputy Executive Director of the
San Francisco Redevelopment Agency
for the Treasure Island Development Authority

APPROVED AS TO FORM:

DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney



TREASURE ISLAND DEVELOPMENT AUTHORITY

410 AVENUE OF THE PALMS,
BLDG. ONE, 2ND FLOOR, TREASURE ISLAND
SAN FRANCISCO, CA 94130
(415) 274-0660 FAX (415) 274-0299
WWW.SFGOV.ORG/TREASUREISLAND

**Draft Minutes of Special Meeting
Treasure Island Development Authority
February 22, 2006**

City Hall, Room 400
1 Carlton B. Goodlett Place
San Francisco, CA

1. **Call to Order:** 1:40 PM

Roll Call Present: Claudine Cheng (Chair)
Jared Blumenfeld
John Elberling
Matthew Franklin
Marcia Rosen

DOCUMENTS DEPT.

MAR - 3 2006

SAN FRANCISCO
PUBLIC LIBRARY

Excused: Susan Po-Rufino (Vice-Chair)
Jesse Blout
Supervisor Chris Daly

2. Report by Deputy Executive Director of the San Francisco Redevelopment Agency

Ms. Joanne Sakai provided the report.

+ Update on the status of Controller's audit implementations is provided in a chart in with the Board materials.

+ A staff memo regarding market rents for the buildings on Treasure Island is also enclosed with the Board materials.

Director Cheng asked what percentage of the buildings on Treasure Island are in leasable shape. Mr. Marc McDonald, TIDA Facilities Director, stated that besides the Brig building most buildings on the Island are lacking routine maintenance over the past ten years. As a result plumbing systems are in bad shape and roofs are in bad shape. Tenants brought in have had to do substantial work on their buildings. The Brig building and Casa de la Vista are the only buildings on the Island currently in very good shape for prospective tenants.

Director Cheng asked if further changes should be made to the TIDA website. Ms. Sakai stated that the audit recommendations only dealt with the special events portion of the website and did not make recommendations about overall changes.

Director Cheng asked for clarification of internal operations and special projects stated in the audit.

Ms. Sakai stated these recommendations are taken verbatim from the audit report. A plan is being developed for goals and objectives in line with the necessary goals and objectives contained in a standard redevelopment budget.

Director Blumenfeld asked how outstanding debts with the Public Utilities Commission were reflected in the upcoming budget.

Ms. Sakai stated that the draft budget reflects the PUC request. Stated that she has heard past TIDA budgets went to the City with these PUC requests which was then amended during the budget process. In addition, there are two energy users on the Island enjoying discounted rates, the Coast Guard and the Job Corps. As of April 1 notice has been given that these two entities will be paying full rates.

Director Blumenfeld requested the Board be given a copy of the budget as soon as possible for review.

Director Rosen stated that General Fund departments are given initial attention by the Mayor's Office before entities such as TIDA.

Director Cheng asked what the reference to developing at-cost procedures and policies was.

Ms. Sakai stated that a Controller's recommendation was that if on-Island groups were allowed to rent venues at lower than standard rates, a procedure and policy should be in place. This will be brought to the agenda soon.

3. Report by the Mayor's Office of Base Reuse and Development

Mr. Michael Cohen, Mayor's Office of Base Reuse and Development, stated that the development land use plan was presented to the Land Use Committee of the Board of Supervisors. Overall there was favorable feedback on the planning effort, the sustainable efforts and encouragement on family housing. There were questions about parking, the transportation plan, and transactional mechanisms to guarantee revenue to cover important items. The Board has asked for a separate presentation of the transportation plan. Secondly, there is a presentation of the land use plan to SPUR on the 28th. Third, asked for Board feedback on the Geomatrix contract. Geomatrix provides two fundamental services, overseeing Navy cleanup and helping in discussions with CH2M Hill as the fixed-price remediation contractor and reviewing the CH2M Hill cost proposals. The options are to rely on prior solicitation and re-up the contract, which would require Board of Supervisors approval, or to re-bid the contract. Geomatrix has a wealth of institutional knowledge and this re-bid may take some time.

Director Cheng asked what the next phase of the contract is worth.

Mr. Jack Sylvan, Mayor's Office of Base Reuse, stated that currently Geomatrix is allocated \$180,000 a year for review of the Navy cleanup; the contract would amend the contract for an additional year and \$180,000.

Mr. Cohen stated these fees are reimbursed by the developer under the ENA.

Director Rosen asked if this would be the logical point to do a competitive process, or is it more logical to do it at a later point.

Mr. Cohen stated there is a more logical point down the road to do a competitive process, but staff recommendation is to extend the contract with Geomatrix due to their institutional knowledge and the fluidity of the process.

Director Rosen stated her bias is to competitive opportunities, but not if it impairs the position of TIDA in the negotiations for conveyance. Stated that TIDA can't afford the learning curve for a new contractor. Stated she is in favor of extending the current contract while being clear with the contractor that there would be a competitive process down the line.

Director Blumenfeld asked for articulation of what level of expenditures the Navy has budgeted for environmental clean-up.

Mr. Cohen stated that both the Navy and staff are in concurrence that the Navy is proceeding "full steam ahead" with clean-up. Mr. Cohen asked Doug Gilkey from the Navy to address the Board.

Mr. Doug Gilkey, United States Navy, stated that the Navy has \$15 million budgeted currently for clean up, and are proceeding as quickly as possible with cleanup. Stated that next years budget is still in the works and a figure has not been settled on as of yet.

Director Blumenfeld stated that since this is a critical expenditure at a critical time and so the policy reasons for re-upping the contract makes sense at this time.

Mr. Cohen stated an amendment will be created to bring before the Board at an upcoming meeting.

Director Cheng asked what the status was on the actual clean-up.

Mr. Cohen stated that it is impossible to say what the exact amount is left, but TIDA is making significant progress on bringing down the range for cost of clean-up.

Director Elberling asked if an evolved transportation plan will be provided to the Board of Supervisors or the same iteration presented to the TIDA Board.

Mr. Cohen stated that an evolved plan will be presented.

Director Elberling asked if the TIDA Board would see the evolved plan first.

Mr. Cohen stated that staff would be happy to bring that back to the Board.

Director Elberling stated he expected it would come back before the Board. Now that people have had a chance to review and digest the plan there may be more feedback, stated he hoped to see it calendared in its own right.

Mr. Cohen stated if it is the will of the Board staff will review the new iteration with them before presenting it to the Land Use Committee.

Mr. Sylvan presented an updated development schedule. As a prelude to the revised timeline, staff and TIDC have allocated a tremendous amount of resources to the project and a tremendous amount of work is being done. This current timeline envisions term sheet elements at the March and April meetings, including during special second monthly meetings. Recommended calendaring the transportation plan for the March meeting in order to allow for further feedback after digestion of the plan. Presentation of the term sheet is envisioned over a couple of meetings in May. There is currently a placeholder for a second special TIDA meeting in April as well.

Director Rosen stated that the April 12th meeting is on the first night of Passover and she will not be present, and this holiday may need to be taken into account for scheduling purposes.

Director Cheng requested a review of the revisions done to the various plans in their iterations, provided in an executive summary or matrix format.

Mr. Sylvan stated that the term sheet document is to some extent an executive summary of the key elements of all the various plans. Stated that staff can look into the best way to make sure recent revisions to plans are highlighted.

Director Blumenfeld suggested dividing up the actionable sections of the term sheet to different Directors in order to work through the various elements in an expeditious manner while still complying with Brown and Sunshine requirements.

Mr. Sylvan stated that distinct portions of the term sheet can be grouped accordingly through the several meetings to accommodate this idea.

Director Cheng requested Board feedback on the proposed idea.

Mr. Cohen stated one option under the bylaws would be to create committees. Stated the idea of breaking up the term sheet review into three separate meetings allows for breaking up the term sheet elements. Pursuant to Director Cheng's request staff could create a matrix to track changes. Stated the expertise of many of the Directors have come into play in the review of the plans. The affordable housing plan will be brought back before the Board as revised, as will the transportation plan. Many of the other elements of the plan do not change that much.

Director Franklin suggested deferring the question to Ms. Sakai and Mr. Cohen. Stated his reluctance lies in losing the input from Directors on certain topics.

Director Franklin stated she agreed with Director Franklin in that she feels responsible to dig into each issue as they are all interrelated. Stated that Directors with particular expertise should be briefed by staff on particular issues to provide assistance as well as to help resolve questions, provided it is not a meeting of a quorum of the Board and should not be viewed as a substitute for the Board's public deliberations and policy discussions.

Director Elberling stated Directors could address detailed comments or questions to staff in the form of a memo as long as it is recorded in the public record. If Directors wish to do this, the rest of the Board can then read the resultant information.

4. Communications

Director Cheng asked if a meeting was set with the Local 21 to address the issues raised in their letter.

Ms. Sakai stated a request to ask the Redevelopment Agency to extend the Agency Agreement will be placed on an upcoming agenda. In relation to that she believes there will be conferral with the union.

Mr. Choy stated that Deputy City Attorney Larry Hecimovich has traded messages with the labor representative in order to discuss the issue.

Ms. Sakai stated that the direct relationship with the union is with the San Francisco Redevelopment Agency as the direct employer of TIDA staff.

5. Report by the Treasure Island/Yerba Buena Island Citizen Advisory Board

Ms. Karen Knowles-Pearce, CAB Chair, stated she has been re-elected as CAB Chair and Mr. Michael DeLane was re-elected as Vice Chair. The CAB has had two CAB meetings and three subcommittee meetings this month. Presented comments of the Urban Design Subcommittee meeting, which were approved by the full CAB on February 7th. Overall the new revision is a huge improvement, with a great deal of positive response. CAB was happy to see issues addressed such as moving the ferry terminal to the western side of the Island, increase in density and proximity of density to transportation and retail, shift in the street angle to buffet elements on the Island. Some members asked for 3-D animation which might assist with predicting the look and feel of the Island upon buildout. Stated concerns were voiced about emergency response on the Islands, architecture of the actual buildings including how the Island will be viewed from the City and how the taller buildings will look, types of streets, parking including on-street and concern over the proposed use of Building 2 for parking, the Job Corps parcel, the main roadway through the Island, operating costs including housing affordability and which entity will administer the plan. Next month the CAB should have comments on transportation, community facilities, affordable housing and phasing and possibly fiscal analysis comments.

6. Ongoing Business by Directors

There was no ongoing business discussed by Directors

7. General Public Comment

Mr. Richard Hansen stated he was on Treasure Island as a member of the Navy nearly 60 years ago, also served as a member of the Restoration Advisory Board and was a former docent of the Treasure Island Museum and is on the Board of the Treasure Island Museum Association. Stated that he and other members of TIMA are concerned about the future of the Museum Collection.

Ms. Ruth Gravanis stated she was surprised to not see the Transportation Plan on the agenda as the process used to be to have a presentation at one meeting and a discussion at the next meeting. Stated that if there is not a follow up item on future agendas the public should be made aware of changes. Stated that many people are still waiting for a more detailed energy plan. Stated that in relation to the recent agreement with Mexico for the Covarrubias murals, there is a March 7th Commonwealth Club event with Covarrubias' biographer at which Treasure Island should have some sort of presence.

8. Consent Agenda

Director Cheng requested Item 8 (c) be removed from the Consent Agenda

Director Franklin requested pulling all the lease items to get some general clarification on why all the lease items are retroactive

Mr. Choy stated that if there is a general question to the overall items as a whole then a discussion can be had before voting, if there are any questions about specific items then those items should be pulled for discussion.

Mr. Marc McDonald, TIDA Facilities Director, stated these leases are retroactive simply because staff has been otherwise occupied since October. Due to staff turnover, CAM negotiations with

the Navy and lack of an Executive Director and appropriate staffing levels these were unable to be taken care of in a timely manner.

Ms. Sakai stated at this time all the lease files were also being used for the Controllers audit and CAM negotiations, and as such there was a fair amount of attention on other matters than renewing leases.

Director Cheng asked if all leases were now current.
Mr. McDonald stated they are.

Director Franklin asked if these leases are exercising a renewal term option contemplated in the original lease.

Mr. McDonald stated that was correct.

Director Franklin asked if the leases have built-in adjustment on rent when renewals occur.

Mr. McDonald stated this policy began last year so some do have a built-in adjustment in rent and some don't. In regards to Item C that increase had already been built in previously.

There was no public comment on the Consent Agenda

Director Blumenfeld motioned for approval of the remaining items on the Consent Agenda

Director Rosen seconded the motion

The remaining items on the Consent Agenda were approved unanimously.

8(c) Approval of Extension of Use Permit with Laura Bertone/PAX Fluid Systems

Director Cheng asked why the term for Item 8 (c) is only until May 31.

Mr. McDonald stated that Item 8 (c) is a slip permit for use of Pier 1 space for docking a boat. These permits have not historically been treated as subleases, and as a use permit they only have a term of six months. If the current users of the slip are interested in continuing they will have to enter into another permit in June.

There was no public comment on Item 8 (c)

Director Rosen motioned for approval of Item 8 (c)

Director Franklin seconded the motion

Consent Agenda Item 8 (c) was approved unanimously

9. Presentation of Draft Phasing Plan

Mr. Jack Sylvan, Mayor's Office of Base Reuse and Development, stated that an initial draft of this plan was presented about a year ago. There has been a lot of work done since that time, including a revised land use plan and much more information about certain aspects of the redevelopment. The phasing plan is giving form to what improvements will be made when, and under what conditions and provides key principles for guiding the timing, logistics and phasing of the project. This is the initial take on the most appropriate way to phase the project and will become much more detailed and evolve over time.

Ms. Karen Auschuler, SMWM, presented the Draft Phasing Plan. First part is what can be done in the early phases to give a sense of what the place will be like once built, this is done by getting a variety of housing types onto the Island quickly, investing early in retail, investing in the west side ferry, and the beginnings of community and public facilities. In addition, uses should support one another. Geotechnical support will be performed early on, as well as deconstruction. TICD is also focusing on keeping Island facilities open during the period of construction until the replacement facilities are constructed. Construction is planned by 2019 of community and public facilities as well as the housing units. Presented the various phases of the redevelopment plan. Initial phases include geotechnical stabilization, construction of the ferry terminal, beginning construction of housing, retail and open space. Important community facilities come into place in Phase 1 and 2, including new police and fire facilities, a new day care, additional streetscapes. At this point there are approximately 1,200 units on the Island. Phase 3 expands the Cityside neighborhood as well as the hotel located at the ferry landing, the Cityside Art Park, neighborhood support elements such as a community room, and continuing backbone extensions. Phase 4 brings the farm and improvements at the school, an additional 675 homes, possibly finishing the homes on Yerba Buena Island, and the corporation yard. At this point, the existing housing is first touched and residents living in those units will be offered options in the new construction on the Island.

Director Cheng asked for a breakdown of the market-rate versus affordable housing construction during the phases. Also asked what the plan was for providing medical care facilities during the early phases.

Mrs. Auschuler stated that by Phase 4 there would be 2,500 new houses and most of the existing housing still in place.

Mr. Sylvan stated that it is not at the point yet to know how many affordable units will be available during the various phasing, the plan is for the affordable housing to be phased in commensurate to the market rate housing.

Director Franklin asked if the presentation is 8 phases or snapshots on an annual basis.

Mrs. Auschuler stated what is presented is the flow of the growth of the Island over time, there are likely 3 to 4 major phases. What are shown are snapshots over time.

Director Blumenfeld asked that by the time this gets to the term sheet phase there will be a clarification of the major phases of development.

Mr. Jay Wallace, Kenwood Investments, stated that the medical care facilities are intended to be a joint venture in cooperation with the Job Corps facilities. In each neighborhood there is the opportunity for smaller medical or dental facilities depending on the market need.

Director Cheng stated this was something that should be basic and included as a bullet point.

Director Rosen stated in relation to the breakdown of affordable and market rate housing, that the term "generally commensurate" read like wiggle language and she was not happy to see that. Stated it is important to show that the development of affordable housing is proportionate to the development of new housing, not generally commensurate. Stated that infrastructure and public facilities phasing doesn't cover the full range of community facilities discussed at a previous meeting. Stated she is concerned that the amount of slots at the current day care facility would

not be enough once the community starts growing. Stated certain things are more important to phase with population, some things need a more critical mass of residents in order to phase them in. Stated the general principles do not discuss analysis of this aspect of phasing. Stated she would like to see a more precise definition of the open space and recreation phasing and what it is based upon. Asked if there is a more precise way to assure this phasing comes on line with family housing development. Stated that the community facilities should be more defined, with thought given to the priorities based on the amount of residents on the Island.

Director Franklin asked if demolition would be on an as-needed basis.

Mrs. Auschuler stated that demolition would be done in areas where construction was anticipated.

Director Franklin stated it is important to show the percentage of affordable housing as it is coming on-line. This should be viewed as a hard and fast objective, the flexibility would be where to lay down the mark. Stated he shares concern about the pacing of bringing open space on-line and would like to see a matrix, should strive for proportionality to the housing units coming on-line. Stated that it seems to him like the open space creation is coming along much slower than the rest of the plan. Asked what the thinking was for prioritizing Yerba Buena Island for housing construction. Stated that more consideration should be given to singular facilities which are family-oriented and represent an investment by way of presence. Asked if a practical assessment has been done of ferry service and at what phase would be a critical mass for ferry transit.

Mrs. Auschuler stated that housing can be realized on Yerba Buena Island sooner because there is not as much geotechnical work to be done prior to building. Youth programs have been envisioned for the Island, including discussions with the current Island providers.

Director Franklin stated he is concerned that public facilities such as the Great Park should be brought on-line first in order to encourage people to move and provide a public facility and a sense of place, similar to the work done on Crissy Field at the beginning of development at the Presidio.

Mr. Sylvan stated that the existing housing is a fairly significant source of revenue to fund the substantial early infrastructure work. Stated that it is important as early as possible to create a sense of the place, and the balance is that existing housing, where the park will be, is a source of revenue and that the current residents need to be transitioned appropriately.

Director Elberling stated that if the principle is to keep existing housing and operations as long as possible, that should be clearly stated. This holds back the creation of the wetlands and the Great Park. Stated he believes that visitors to the Island will be most interested in the art park, which will be completed halfway through the project. Asked if any estimation have been done as to how many people will use the Great Park as opposed to the Art Park. Asked why the signature tower is phased in the second half of the project instead of building this major icon close to the front end as possible.

Mr. Jay Wallace, Treasure Island Community Development, stated that the analysis has shown that the bigger “bang for the buck” with the iconic tower will be best served being constructed at a phase.

Director Elberling stated that it seems like this tower, due to the views, could garner high sale prices and thus should be built early.

Mr. Wallace stated that there would be a price reduction for this tower should it be built earlier due to construction impacts and other such issues.

Director Elberling stated that he does not think the project will come out ahead by waiting on construction of the tower. Asked why none of the hotels are going up in the early phases.

Mr. Wallace stated that one hotel is going up in Phase 4. Market research indicates that hotel use will be a complicated proposition and the phasing is geared as such.

Director Elberling asked why hotel use will be complicated.

Mr. Wallace stated that consultant research shows hotel use at Treasure Island to be a challenging market.

Director Elberling stated that holding up the hotel construction also holds up construction of the public spaces to the east of Building 1 and should be considered for earlier.

Mrs. Auschuler continued presenting the Draft Phasing Plan. In the fifth phase the Urban Core is finished out, another 100,000 square feet of retail and restaurants will be added; a small hotel and another 850 homes will be built as well. In addition there are various community rooms, streets, backbone connections and services. Phase 6 connects improvements to the east side of the Island, including 975 homes, recreational fields, completion of the urban farm, completion of the eastern shore and the marina area. Phase 7 puts the icon tower in place and completes the northern neighborhoods including 800 homes and the rest of the Cityside Park. In Phase 8 there are 375 remaining homes constructed, the conference hotel, the Yerba Buena Islands officers quarters, the historic hangars, improvements around Pier 1 and the perimeter path and the wetlands.

Director Blumenfeld stated that the Board was looking for more information on the demographic assumptions that went into the community facilities plan. Stated that in terms of Phase 0, it would be useful to work out what is phased in at different times, in Phase 1 there are 700 homes but central heating and air conditioning is not online until Phase 2, how will this work? Asked what the impacts will be on the lives of current Island residents and residents in Phases 1 through 8 during phased construction and how those impacts can be minimized. Stated it seems that there are benefits to moving current residents into new units early instead of waiting until later phases. Asked for consideration of a protocol governing the construction vehicles and their environmental impact. Stated an agreement needs to be reached for what are the key community facilities that should be included early in order to align with phasing.

Director Rosen asked if the staging area at Pier 1 implies that water transport of construction materials is anticipated.

Mrs. Auschuler stated yes it does.

Director Blumenfeld stated that the Board needs a specific understanding of what the phasing will be from a central systems perspective. Stated that more consideration needs to be given to the community facilities in the near future.

Director Elberling stated that in Mission Bay the icon is the Ballpark, and in this project there needs to be something spectacular to put it on the map. Stated that the existing housing needs renovation to keep going another fifteen years. Asked if it would make sense to take down the older northernmost portion of the housing in order to begin the Great Park early.

Mrs. Auschuler stated that is something they could look into. There are questions about the housing and the timing and analysis may show that at some point that housing should be eliminated earlier.

Mr. Wallace stated that one of the challenges is the balancing act of creating a variety of important but expensive community benefits. Stated that the existing facilities are included in the plan and they will try to be as proportionate as they can to the affordable housing and open space build-out. In terms of the open space, there is already existing open space that will still be available.

Director Rosen asked for a presentation of the various elements on different pages that are overlays building on each other and look at each of the phased elements separately.

Mr. Sylvan stated that could be done. The last time the phasing plan was presented it was focused on the infrastructure plan, now with more information staff understands that many elements needs to be fleshed out in more detail.

Director Rosen stated that many of the different elements could be combined in this method as to appear separately and integrated as they are layered on top of each other.

Mr. Sylvan stated that in the term sheet and DDA there will be performance milestones that will have remedies for non-performance as well.

Director Cheng requested consideration of Director Elberling's point that there needs to be a drawing point or icon that brings people to the Island.

Public Comment

Ms. Sherry Williams, TIHDI Executive Director, stated the document is confusing as to what is being phased in and when, in particular the child care center and the gymnasium. There are questions raised as to what kind of overall community facilities there will be, as well as specific questions about the level of need that these community facilities will have. Stated that some of the first housing slated for demolition appears to be the newest units, also there is no conversation about the environmental remediation plan and how that ties into the phasing.

10. Amendment to the TIDA Bylaws

Director Blumenfeld motioned to continue this item

Director Franklin seconded the motion

Item 10 was unanimously continued

11. Voice of Pentecost Notice of Termination of Sublease

Mr. Marc McDonald, TIDA Facilities Director, stated that Voice of the Pentecost has a lease for Building 3 that started in February 2005 and expires on March 31, 2006. The tenant has failed to pay rent for the month of January and February. They have been sent a notice of termination which is effective February 28, 2006 with a demand to move out by March 1, 2006. There is no action requested of the Board, staff is simply informing the Board that staff is planning to proceed in this manner in accord with the requirements of the lease.

Public Comment

Mr. Doug Lanza, Voice of the Pentecost, stated that they moved into Building 3 in June of 2005, at that time the building was in disrepair. Provided a report of the repairs to the building they

have performed to date. Stated they are in the process of pre-production on a film and have investors who will invest in the film, both local investors and overseas investors. Stated the investment money is temporarily hung-up but they expect that to be alleviated within 30 days. Requested a 30 day extension to pay back rents and penalties. Stated they have a long term commitment to the building. Stated if they need to move out they will not fight that.

12. Approval of a No-Cost Use Permit for the Building 1 Lobby Space

Mrs. Marianne Mazzuco-Thompson, TIDA staff, stated that staff is asking for approval of a no-fee permit with Job Corps for a job faire in the Building 1 lobby on March 17th and 18th. The job faire will benefit the Job Corps and Life Learning Academy students as well as all residents of the Island.

Director Cheng stated she thinks this is a great program, asked if this is the first job faire.

Mrs. Mazzuco – Thompson stated this is the first job faire.

Director Cheng asked for clarification on the insurance issue.

Mrs. Mazzuco – Thompson stated that the Job Corps has insurance on file with the Navy

There was no public comment on this item

Director Blumenfeld motioned for approval of the item

Director Elberling seconded the motion

The Item was approved unanimously

13. & 14 Possible Closed Session Items

Mrs. Sakai stated that staff would like to continue Item 14

Director Cheng stated Mayor's Office staff indicated that they would like to continue Item 13 as well.

15. Discussion of Future Agenda Items by Directors

Director Cheng requested Board members be properly notified in advance of a planned second March meeting.

16. Adjourn

Director Cheng motioned for adjournment

The meeting adjourned at 4:16 PM

